



Revised

RECORDS OF THE PRESS CONFERENCES
OF THE
PRESIDENT OF THE PHILIPPINES

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1936

*To the Honorable
Jorge B. Vargas
Secretary
New Tolentino
May 28, 1952*





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1936

1936 PRESS CONFERENCES
OF THE PRESIDENT OF THE PHILIPPINES
(CONFIDENTIAL FILE)

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FP/ab

PRESS CONFERENCE NOTES

JULY 10, 1936

THE PRESIDENT. Good morning, gentlemen. Sit down please. Well, I am ready to answer your questions.

/ THE ARNAIZ-CALVO FLIGHT

THE PRESS. Mr. President, are you going to approve the bill now before the Assembly for the Arnaiz-Calvo flight?

THE PRESIDENT. Well, that has not passed the House yet. I thought you are going to ask me if I ^{would sign} am going to sign the homesite bill.

2, THE - HOMESITE BILL

THE PRESS. Will you, Mr. President?

THE PRESIDENT. Of course, I will do. I recommended it. (Homesite Bill.)

3, RE-HIGH COMMISSIONER MURPHY

THE PRESS. Mr. President, have you heard something about the High Commissioner making progress in Washington in his conference there?

THE PRESIDENT. Nothing as yet, but I have no doubt that a conference will be held next winter, and I think the preliminary conversation should be called for autumn.

THE PRESS. Have you recommended something regarding the situation in Davao?

THE PRESIDENT. No, nothing as yet.

THE PRESS. Is it true that you asked for the retention of Commissioner Murphy as the United States High Commissioner?

THE PRESIDENT. Yes, but evidently, they have decided there ^{to make} ~~for~~ him ~~to~~ run.

This morning I was informed that the resignation of Mr. Murphy will not be acted ^{upon} ₁ until after September 15, which means that they are giving him a chance to come back.

THE PRESS. Where did you see that information?

THE PRESIDENT. That is in today's paper.

The reports of the papers as published this morning justifies the fact, ~~==well,~~ that is to say, it seems that the President is not accepting his resignation because he is giving him two months leave of absence without pay from September 15th. That seems to indicate he will continue to be such High Commissioner without pay until after the election in November. I regret very much that he has to resign and I ^{shall} ~~will~~ regret more if his resignation is to be definitely accepted because I really think that he had been an excellent High Commissioner. He knows our problems here and he is deeply interested in the success of this government, but, of course, we cannot expect them to consider our ^{problems} ~~situation~~ in the Phi-

Philippines as being more important than their problems at home. But I am sorry to see him resign. I suppose Mr. Jones will do very well as a High Commissioner as Governor Murphy for I do not believe that we can find a better man than Mr. Jones. I had never had the slightest idea when Governor Murphy left Manila that he might resign and decide to run. I did not have such an idea.

I think he was urged to run.

Yes, it is a great compliment to the Commissioner. I think it, in a way, to be a splendid recognition of his work in the Philippine^s Islands, the fact that he has been urged to run, to be a candidate for governor in his own State.

4. LABOR PROBLEMS

THE PRESS. Mr. President, is the labor situation appearing to be serious?

THE PRESIDENT. What do you mean?

THE PRESS. Well, they are going to have a demonstration among themselves and that may have some connection with agitation in the provinces.

THE PRESIDENT. Well, I do not believe that there will be any danger of public disturbance by that demonstration. Of course, I was not in favor of a demonstration in the Legislative Building. I thought that if they had some

petition to make, they could send that petition either through the mail or through a committee, but the practice of having a demonstration in front of the Legislative Building ~~is~~ is not right, is not the proper way of doing it. I never ^{have} ~~made~~ ^{made} any objection to a demonstration somewhere else or in some part of the city, and I never fear that there will be any disturbance. I do not think there is danger of a serious disturbance in the Philippines; certainly, the government is prepared to quell any attempt at public disorder.

5. ~~RE~~ - SAN PEDRO TUNASAN SITUATION

THE PRESS. How about the situation in San Pedro Tunasan?

THE PRESIDENT. Well, the situation in San Pedro Tunasan is not so bad as it appears in the newspaper reports. I sent for the President of San Pedro Tunasan and told him that he better warn the people from that town; that I won't countenance any action on their part that would indicate a defiance of the order of the courts; that if they attempt to use violence against the constituted authorities, by Gosh! I would take drastic steps against them, and the President told me that there was no danger of a serious trouble. Certainly, I recommended the enactment of this bill as independent of the situation, in that town or in any other town. I simply

believe that that ought not to be ^a the townsite/ ^{located} locally in any large estate owned by an individual. Our people here have the right to choose their national officials, and the people who are living in a land which is owned by some individuals or corporations are not entitled to exercise the right of suffrage (if for no other reason). The government ought not to expropriate these lands and send the people away who occupy them so that they may have their own homes. It is a matter of sound government, not because I feel that those people are going to cause the government any trouble. I am going to try to expropriate all these lands that are occupied for homes and are owned by these large haciendas. Without going any further, I will not allow these big haciendas to have a place that is almost within the city limits where people can not buy the lots where their houses are built by with cement. It is outrageous, and I am glad the government of the Philippine Islands is permitted to expropriate all these lands.

THE PRESS. Do you hope to buy these big haciendas?

THE PRESIDENT. We can not do that because we do not have the money, and besides I am not quite sure that we are going to buy these big haciendas. In the first place, the government is going to lose a lot of money, and in the second place, I do not see any reason for buying these

lands when we have many public lands, when^{re} the people can buy; but certainly, I am going to buy every portion of an hacienda that is being occupied by towns or barrios. Now, we have the San Pedro Tunasan, the Lian Hacienda, the town of Dinalupihan, the whole municipality, the town of San Rafael, the town of San Ildefonso, the barrio of Baclaran, Parañaque, I think there is also a barrio in Concepcion, Malabon, also in Santa Mesa, and these are the lands to be expropriated by the government and sold to the actual occupants. And I am going to tell the fiscals of all the provinces where these lots are located that whenever there is a judicial order for the execution of some case, it is for them to ask to stay the execution until the government can finance, either by expropriation proceedings or through the voluntary sale of these lands. My idea is that if we can not come to an agreement, to a reasonable settlement of these lands, I am going to the courts, but if the proprietors take advantage of the situation and exact from the government too high prices, I am going to institute expropriation proceedings.

THE PRESS. Is that purchase for public use?

THE PRESIDENT. No. Ordinarily, we could not expropriate any property except for public use, but the Constitution of the Philippines has a special provision which authorizes the government to do this, and that is why we

can not institute expropriation proceedings; without that I could not expropriate. The Legislature could not pass a law authorizing the expropriation proceedings, but the framers of the Constitution have foreseen that we have this hidden problem so they provided it in the Constitution and gave the government the power, so the ^{Assembly} Legislature passed the law, and that is sufficient. This will settle one of the serious problems that we have in the Philippines, a matter that should have been solved long, long time ago. Well, some of these towns have not given the government a peso with which we can build schools, or a presidencia, for some of these places are ^{awful} terrible. I am now convinced that these problems, that is, the relations between the large landed home owners and their tenants can not be on just basis. There are, however, two cases here in the Philippines of large haciendas where the people are perfectly satisfied and contented. One is the Calamba Sugar Estate and the other is the Calauag Estate, and I think that the Roxas Haciendas in Batangas are in the same situation. Now, the people are paying because the lands which they ask are the lands producing crops, ^sso they can pay from the proceeds of the crops. The treatment is perfectly reasonable. Many people are perfectly satisfied in Calamba. No one

owes that hacienda for everybody is paying up his dues. If that can be done in the treatment of the people in these other haciendas.....

THE PRESS. So the crops has something to do, hasn't it?

THE PRESIDENT. Yes, and the Calauag hacienda is producing chiefly rice. Here is what they have done. In the first place, the hacienda made a study of how to produce the largest number of cavans^e per hectare. They are producing, on the average, more cavans^e per hectare in Calauag than in other fields here in Luzon. The result is that the fellow who works there gets more from the land after cultivation because the hacienda has taught him to plant and to work on his rice field, and he is given the right kind of seeds. Now, naturally, that fellow is getting sufficient a crop that gives him a sufficient means of livelihood. Now, aside from these two haciendas that I have mentioned, the practice of some is, when they lend money to the people who are working on their haciendas, is to lend the money at 6 or 7 or 8 per cent interest at the highest, while the others are charging the poor 50 per cent or 100 per cent interest. They take the palay from the tenants during the harvest at a very low price and lend the palay, or money, during the planting season at the highest rate of interest, so that when *they*

lend the money during the planting season, they get twice as much. And that is the way they have exploited the poor fellows in some places.

THE PRESS. Is there any other crop in Calamba besides sugar?

THE PRESIDENT. I think they have sugar, palay, copra. I asked the Secretary of Labor to go and find out why the people get rich on these lots. The provision of the law is very good, for they can not sell or mortgage the land until they have paid the government; when they have paid, then they can sell the land to some other company at the price sold by the government. So you see the law, as passed by the National Assembly, is perfect. In other words, from the experience that we had from the purchase of friar lands where some the smartest fellows get the benefit and the poor devils are the loser, we have been able to enact a law that is not so bad as the law before.

6. ^{The} ~~RE~~ REVENUE BILL

THE PRESIDENT. If the Assembly can ^{as} pass this revenue bill, I intend to ask authority to increase the Philippine tariff rates. I think that one of the most important duties of a civilized government is to take care of the insane and to accommodate them properly; so if the Assembly raises the necessary revenues, my hope is that

within the next two or three years we can take care of all the insane in the Philippines, the same thing we do for the lepers.

THE PRESS. Are you going to establish different stations?

THE PRESIDENT. Yes.

7. ~~4.~~ RE - AIRLINES IN THE PHILIPPINES
FROM FOREIGN COUNTRIES

THE PRESS. Mr. President, is there any move to connect the Philippines with Java by air?

THE PRESIDENT. Nothing has come to my attention officially. I understand that there is some one who has been considering about that, but we could not do that without consulting the State Department at Washington. Personally I am in favor of facilitating the air transportation in the Philippines in every direction, that we have it with America, with Europe, etc. Under the Philippine Constitution an an airline such as the British-American, or for example, the United States airline, can be granted and permitted only to land, or some privilege of that sort. Before I answer that question I wish to read the Constitution. I believe that all the Constitution provides is that the Philippine government should have the right to run the means of communications; I do not know if it provides that only nationals can do it. (The President reading ^S the Constitution.)

(After reading the Constitution)

(Continuing.) Here is the question. If they want a franchise, I do not think they can have a franchise in the Philippines. If they want only permission to alight here and receive passengers or mail, perhaps they might ... but I do not think they can have a franchise.

THE PRESS. So the government can ^anot grant franchise for an operation of an airline?

THE PRESIDENT. ^{no,} Yes, and there is doubt as to that. The ruling of the Attorney General was that the Philippine government could give them a license or a permit to land here without franchise from the Legislature, but the Attorney General also recommended that they should better get a franchise to make sure. I think we can give a revocable permit, and such permit, of course, is subject to be withdrawn any time. Now, in the case of Pan-American Airways, they could not afford to do it, or certainly the American Government could not give the subsidy without a franchise because at any time, the government could withdraw the permit from them, and there will be no basis for the subsidy. If that is a question regarding this government's entry into an American contract whereby the government of the United States is to give the company the subsidy for a number of years, it is clear that since they have a permit which the government of the Philippine Islands could withdraw (any time the subsidy ~~on the air~~), that is why the Attorney General recommended that they secure a

franchise before they could be given a subsidy. But if it is only a matter of landing here, the government can give that permit and in the case of the Pan-American Airways, this was determined, and it was organized, for the purpose of establishing connection between America and the Philippines and the Far East, of course, with other Oriental countries, making the Philippines the main port.

THE PRESS. What will be the process then of granting this franchise?

THE PRESIDENT. Well, it depends; if that is a franchise, we can not grant it for the Constitution prohibits it. If they want a permit, I think we could, but this government would not grant any permit without an understanding with the State Department.

THE PRESS. So such a permit would not require legislative enactment?

THE PRESIDENT. I do not think so because it really gives no right. If it is a permit to land, we can deny that permit any time and we can charge them for the privilege of using the land in the premises.

THE PRESS. So the airplane and subsidy service do not need permits at all?

THE PRESIDENT. That is what I think. They would need permission to enter our ports, for our ports are our ports.

No boat can come here; we can deny any boat to enter our ports. Naturally, we do not mean that the minute we declare a port open for high sea commerce, new boats can dock there.

THE PRESS. Our rights are covered by treaties, so foreign shipping companies can not demand any admission here in the absence of such treaty?

THE PRESIDENT. Yes. *No.*

THE PRESS. Under the special laws?

THE PRESIDENT. No, Sir. As a matter of fact, even in the case of foreign treaties the foreign laws in other countries can only be effective if and when the National Assembly passes a law putting that agreement into effect.

THE PRESS. Is that authorized in the Constitution?

THE PRESIDENT. No, because the United States gives the authority to levy tariff; therefore, if the United States should enter into any agreement with other countries where producers produce commodities under certain conditions, it does not affect the Philippines, unless the

Government of the Commonwealth gives the consent because the authority of the ^{*Assembly*} Legislature for raising tariff has been given to us by Congress. As a matter of fact, way back from the first day that the Civil Government was established here, the Civil Commission got that authority from the United States which was ratified by the government.

You see, its history is this. When the Civil Commission established a civil government, they had no income, they had no revenues, so the President had to levy tariff, and by Gosh! we got that right from that time on.

THE PRESS. How about the gentlemen's agreement with Japan?

THE PRESIDENT. We can not put tariff on the American goods.

THE PRESS. How about on Japanese and other articles, do you have that right?

THE PRESIDENT. Yes.

THE PRESS. Is that contemplated as a legislative enactment?

THE PRESIDENT. I do not think we are going to pass any tariff legislation pending the trade conference between the United States and the Philippines because the tariff legislation that will be enacted in the Philippines will depend upon the terms of the trade conference. But I am considering asking the Legislature to grant the President of the Philippines the right to raise the present tariff if and when a tariff commission that should be created so recommends. I do not know whether the Assembly would grant that power, but I am going to ask the Assembly to give that power because until that power is given to the Chief Executive, it is

going to be very difficult for us to start new industries in the Philippine Islands, and since we contemplate the establishment of new industries, there ought to be this elasticity in our tariff so that, if and when that is necessary, the tariff may be raised to protect home industries.

THE PRESS. Would you impose some limits on the tariff legislation?

THE PRESIDENT. I am going to ask as much as 100 per cent.

THE PRESS. What is the limit in American tariff?

THE PRESIDENT. Fifty (50) per cent. The reason why I want to ask 100 per cent is that our tariff laws had been enacted many, many years ago, and there are cases where the 50 per cent increase in the tariff may not accomplish the purpose.

THE PRESS. Will there be a plan to reduce the tariff?

THE PRESIDENT. I am not prepared to answer that question. I do not believe that the Assembly ought to grant that right. I think that the Assembly can grant the power to increase, but not the power to reduce, because the power to reduce will mean to give the Chief Executive the power to reduce the revenues or to do away with the revenues. Just imagine, if they can grant the Chief Exe-

cutive the power to reduce the tariff 100 per cent. That's tantamount to giving the Executive power to reduce certain revenues, and no law-making body will ever grant the power. I think the President of the United States has the power for the reason that power has been given to the President in view of his power to negotiate treaties. But we have no powers to negotiate treaties in the Philippines. How can I use that power?

THE PRESS. But the Cuban tariff on sugar was reduced by reciprocal agreement?

THE PRESIDENT. Yes. In the case of the President of the United States, the Congress of the United States can grant that power to the President because under the constitution he has the right to negotiate treaties and the negotiation of treaties involves the question of lowering the tariff. We have no power to negotiate treaties. And as I said before, I am not sure whether we ^{shall} will ask for that power. I have very serious doubts whether I could be granted that power in view of the fact that the Chief Executive of the Philippines has no right to negotiate treaties. Whether such right should be granted to him, I do not know.

THE PRESS. When do you think you will make these recommendations?

THE PRESIDENT. Right away. Very soon, ^{sub} I do not know whether the Assembly will grant them. I have not canvassed

the sentiment in the Assembly.

THE PRESS. Will this be considered in the coming trade conference?

THE PRESIDENT. Yes, exactly; because this is what might happen. The trade agreement that the Philippine Government may enter into with the Government of the United States may depend upon certain protection that the Philippine Government has to give to certain American industries as compensation for the protection that the American market has given to certain Philippine industries. Now, if it should be felt that in order to get the government of the United States to give that protection, we have to raise our tariff on certain articles, the Chief Executive would not be in a position to enter into this agreement with the Government of the United States, unless he is given this power to raise this tariff. So in order that we may be fully prepared to participate in this trade conference and have power to make negotiations, it is necessary that the Chief Executive be granted by the Assembly, before the trade conference is held, the power to raise tariff in the Philippines.

THE PRESS. It has two purposes then?

THE PRESIDENT. Yes. The first one is to protect the home industries. The second is to place the Government of the Commonwealth in a position where it can enter into

agreement with the Government of the United States when the trade conference is held.

THE PRESS. Are you planning to make any new appointments, Mr. President?

THE PRESIDENT. Not yet. Not appointments of any importance.

THE PRESS. Are you informed of the Jueteng situation in Laguna?

THE PRESIDENT. We are taking a hand in that. The Secretary of the Interior has a man there who is investigating that situation. I am prepared to give you some information about it, but this is not for publication. I am morally convinced that the wife of Governor Cailles has been running that Jueteng and I am also convinced that the poor governor did not want her to do it. But while Cailles is one of the greatest heroes during the revolutionary period, brave as he is, he is afraid of his wife. The only question we are trying to determine is whether it is true that Mrs. Cailles has stopped her Jueteng since I sent word to the Governor that unless that wife of his stopped that Jueteng, I was going to remove him from office. I am a very good friend of Cailles. I admire him. He is one of the best governors the Philippines has ever had. That is proven by the fact that Cailles is the only man in the Philippine Islands that has been re-elected four or five times as governor. He had a strong opposition,

but when he ran for governor, he was elected and elected by the common people because the rich and the political leaders in Laguna have always been against Cailles. My party has always had a very strong influence in Laguna. They never succeeded in electing a man for representative who did not have the support of my party. We always elected our man. Whenever Cailles was a candidate, he came out with the support of the poor people. And thinking so highly of him, I sent word to him that I was going after his Jueteng. I gave him about one month. After a month elapsed I sent one of his most intimate friends to tell him that unless he could stop his wife, I would remove him without much investigation. The report that I have received is that his wife has really stopped, and the fellow who told me that is convinced and that he is willing to spent money to get a lawyer for Cailles. Weinzheimer is a pretty honest gentleman. He believes in autocracy and he likes Cailles because he seems to be autocratic, but at the same time he does like this Jueteng. I sent him to tell Cailles, to stop his wife and he did. He said: "Mr. President, I am convinced that the wife of Cailles has stopped, and therefore I am going to defend him. Do not mix up in this case. I am going to find that out." I sent for the Constabulary officer in Laguna - he is one of the best officers that we have. He told me he is convinced

that the wife of Cailles has stopped. Of course, my political associates in Laguna who were against Cailles, told me that the Constabulary officer is a false witness because his wife is the friend of the wife of the governor. But I do not believe that because I am really inclined to believe that the Governor's wife stopped at the time I sent word. But still I am having that investigation conducted, and I should like to have a chance to suspend Cailles because if I suspend Cailles, this is going to put the fear of God into the heart of every provincial governor of the Philippines. The minute I suspend Cailles every provincial governor of the Philippine Islands will see that the laws of this country are enforced. But I can not suspend him until I have more prima facie evidence that his wife is running Jueteng.

Weinzheimer told me that he is afraid of the wife of Cailles. She is really a most aggressive wife. It is pitiful to see that a brave soldier, who is never afraid of anybody, is afraid of his wife, (Laughter) and I am having that properly investigated. We shall never be able to stop Jueteng until the people are convinced that the wife of Cailles has stopped. *8. The Tourist Bureau*

THE PRESS. Have you any plans for the Tourist

Bureau?

THE PRESIDENT. I want to establish the right kind

of a Tourist Bureau. I have adopted a policy of not spending public funds unless we can accomplish the purpose for which the money is being spent, and I am inclined to believe that what we have spent for tourist propaganda so far has been wasted. There are a few things that we have to do before we seriously attempt at the business of attracting tourists to the Philippines. The first is to have good hotels, not only in Manila, but in other places in the Philippines. Gentlemen, I have been traveling myself, and it makes no difference how beautiful a country is. If you get to a place and you do not find a good hotel, you immediately feel a dislike for the place, and outside of the Manila Hotel in Manila, we have no good hotels in the Philippines. Not even in Baguio, I am advising the Manila Railroad to build a hotel in Baguio, a good hotel, and comfortable. Small hotels will serve in certain places in the Philippines; one in Albay, right there near the top of Mayon volcano, from where you can see the most beautiful sceneries in the Philippines. We ought to advertise Albay. We ought to have a hotel in Cebu, Mindanao. In Lanao, for instance, there is a magnificent place. We ought to have a nice hotel in Pangasinan. We have to have a nice hotel in Atimonan, on the other side of the Island of Luzon. There is a fine beach there. We ought to spend real money for publicity. We have been spending money which has served

no purpose.

We ought to do this systematically with a real planning, and I am for it. The first thing we have to do is to complete our lines of communication - one reason why I want to finish the railroad line from here to the Bicol region. Another is to improve our inter-island transportation. It is a shame that we do not have better inter-island transportation. I am going to instruct the Collector of Customs to inspect every darned boat that is leaving the port of Manila, and if they do not have, as many of them do not have now - if they do not have the required life-saving apparatus, they ought not to be permitted to make any trip. I do not want / what happened to the "Morro Castile" to happen again. I am going to compel these people to conduct fire drills for their crew and to have the necessary life boats in every inter~~island~~ transportation. That is the next thing to which I am going to direct my attention. Then ^{will} I am going to require these boats to be very clean. My goodness, the insanitary condition of these boats is a shame.

THE PRESS. What can you do about tourists in the Philippine Islands.

THE PRESIDENT. We have to improve our means of communication, our accommodations.

THE PRESS. What about putting a hotel at Sibul Springs?

THE PRESIDENT. Yes, that is a nice place, too. There is another place where we have to have a hotel. There is special water in Mariveles. It has the same merits as that water called "unhem" which is good for people suffering from high blood pressure. We have that water in Mariveles, and I am trying to secure an expert, one experienced in "unhem" to give treatment and if I find a man, I am going to build a hotel. The high blood pressure is affecting the Filipinos here, and that will be a good business.

THE PRESS. This place of having a propaganda office for tourist, what will be the basis for its organization?

THE PRESIDENT. I believe that we ought to organize a society of Americans and Filipinos, people who are known to be interested in fomenting the commercial relations between the two countries, because it is for the benefit of both. We are going to get some influential Americans to help us form a society of this kind, and there is in America what we call a Japan society, and I do not see why there should not be a Filipino society. If we can have that society and with our tourist office working in cooperation, we could properly advertize the Philippines.

THE PRESS. Will that be (an) official or semi-official?

THE PRESIDENT. Unofficial.

THE PRESS. Are these societies serving the purpose?

THE PRESIDENT. Yes. That Japan society in Tokyo is a wonderful association, but what they have in America is ^{awful} (a damned organization).

9. ~~The~~ MINDANAO RAILWAY

THE PRESS. Anything more in the Mindanao railway?

Assembly THE PRESIDENT. I am going to have that. If the (Le-) (gislature) will authorize me to issue the bonds, I am going ahead with that. I have the report of the Manila Railroad and Mr. Paez advised us to build that. He thinks we can have very cheap transportation, thereby developing the Maria Cristina water power. I gave instruction when I went to Lanao to protect the forest around that waterfall. They have started making cañigins, and I stopped that right away because that is a government reservation, and Paez said that that would be the means of transportation as it will serve the purpose. The idea is to build roads as ^{ee} fixers for that.

THE PRESS. How long do you think it would take to finish the project?

THE PRESIDENT. I think that can be finished in five

years. Also the power plant. That is why development of Mindanao will really mean a great increase in the wealth of the country. The long study I have devoted to the situation of Mindanao, convinces me that the wealth of the country would be at least five times as it is today, if we start developing Mindanao in preference to Luzon -- If you compare what the profit of Mindanao would be, I mean if you compare it with other islands, since there are no floods and no typhoons there whereas in Luzon, for instance, every three years, we lose our crops either because of the typhoon or the flood. By gosh! You don't have that in Mindanao and then with this cheap power available, Mindanao is really the greatest thing that the country has.

THE PRESS. Would that be a rice granary in the Philippine Islands?

THE PRESIDENT. Not necessarily, because Luzon can produce much rice. But I want to ^{transfer these} carry two million people during the next four years, and if I can ^{drive} carry them there *at the point of the* by bayonet, I will do it. Two million more people, you see - that is my ambition.

THE PRESS. Mr. President, what has become of the government aid to Iloilo and Cebu railways?

THE PRESIDENT. Nothing. I doubt very much whether the Assembly will authorize the purchase of the Railway

of Cebu. You know, that next year, or two years from now, the government obligations to guarantee the interest on these bonds will expire and by that time, if we do not buy those shares, they will not be able to continue running that railroad, and I do not believe the Assembly will authorize the purchase of the Cebu railway because that is a losing proposition. No way of improving that Panay Railway. I do not know.

Some time ago, I think, the Assembly thought of purchasing that, at least to show some good will to those people, but the opinion of my advisers is that it will cost lots of money to ^{operate it and} the Philippines, for the operation will be a constant drain on the treasury, and moreover the government has no moral obligations ^{whatever} to the principal of the money rendered.

THE PRESS. How about the guarantee of interest when it expires in two years at the end of 1937?

THE PRESIDENT. I telegraphed them that they can go ahead ^e circularizing, but I do not want to give them the impression that the Philippine Government is committed to the proposition of purchasing it. While I was personally in favor of it, after having found out that this would be a constant drain to the government of the Commonwealth, I would not dare to recommend it to the Assembly. I would not assume the responsibility of recommending the purchase to the Assembly because my information now is that even

if we proceed with the railway, possibly it would not be to make money, except the Panay Railway, if we could purchase it at a very low price. But the Cebu railway is a loss.

The
10. ~~RE~~ CENSUS BUREAU

THE PRESS. How about MacArthur's report suggesting that the population might be 18 instead of 14 million?

THE PRESIDENT. I am going to ask the ^{*Assembly*} ~~Legislature~~. As soon as they pass these revenue laws, I am going to ask for an appropriation for a census. That is very important, gentlemen. I just want you to know that we can not intelligently make any plans here in the Philippines to comply with the provisions of the Constitution that we give facilities or opportunities to every child, of age, or for the diversification of our crops, or the establishment of necessary industries, *Until* we have a census of the Philippines which tells us our population, what we consume, each article that we produce, what industries we now have. We can not do anything that is intelligently planned until we have taken a census of Islands, so I am going to recommend that a census be taken and I expect to take the most inexpensive census that has ever been taken for the Philippines. For this reason, I expect to use the Philippine Army to do some work in connection with that census and use the teachers also and the municipal treasurers and most of the em-

ployees of the national government so that we may not be obliged to draw personnel outside of that, but I think we can have a census of the Philippines by about one-third or one-fourth of what the previous Census cost us.

THE PRESS. So far what was the cost of 1928 census?

THE PRESIDENT. Five million pesos. I think we can have a census of the Philippines for 1-1/2 million. I have to do that. We have to do that.

THE PRESS. What do you say about the Revenue Bill?

THE PRESIDENT. Well, I do not want to be appropriating funds. We could properly get from the accumulated surplus because any expenditure that is not an ordinary expenditure of the government can properly be taken from the accumulated surplus, and we have 31 million pesos accumulated surplus but out of that, we have only nine million pesos that is absolutely unencumbered, and I do not want to reduce further the 9 million pesos that is absolutely unencumbered. We could properly take it from there, but I do not want to do it until I get the Assembly to pass the Revenue Bills. If the Assembly has passed some Revenue bills, we can afford to reduce a little bit the accumulated surplus, but with the present revenue of the government and with the present expenditures where our balance is only one million pesos, I do not want to reduce the accumulated surplus. If I reduce the accumulated surplus, I shall find myself in an embarrassing position. Therefore, I am not going to

reduce the accumulated surplus of the government until the Assembly has passed the Revenue bills.

This will be on January 1st, 1937. Up to this our surplus is still 30 million, but by January 1st next year, our accumulated surplus will be 31 million pesos. Now, if the Assembly passes some Revenue bills, we may keep the accumulated surplus at the present figure, which is 39 million pesos. We may raise it.

THE PRESS. Will there be a big drop this year from the Army bill?

THE PRESIDENT. Merely, it came out from other expenses. Now, for instance, it came out from other expenses. Now, ^yfor instance, it came out from the purchase of the railway bonds. I have invested from the treasury 3-1/2 million pesos for the purchase of the Railway bonds. But that has been a very good investment because we have made sufficiently, considering what we have to pay, and we are making about 25 million pesos out of that purchase.

THE PRESS. Your message to the ^{Assembly}Legislature indicated that it is off the press now?

THE PRESIDENT. Yes. Well, gentlemen, unless you have more to ask that I could tell you - - - I am glad to have seen you. Good-bye.

Confidential File

PRESS CONFERENCE NOTES

JULY 24, 1936

11:00-12:00 M

THE PRESIDENT. Gentlemen, I am ready for questions. I have nothing to give to you on my own initiative.

ARNAIZ AND CALVO

THE PRESIDENT. I think that question can better be answered by the Assembly. I understand there is a proposed bill in the Assembly to give a flying cross or something. The Assembly is going to enact a general law, as I was informed yesterday, patterned after a similar law enacted by the Congress of the United States regarding decorations, etc. and after passing that law they are going to pass a resolution authorizing the President to give, as I understand it, a flying cross.

THE PRESS. Possibility of making a special dispensation?

THE PRESIDENT. I have not discussed that question with the Chief of Staff, but I am going to give them commissions in the Reserve force. He does not seem to be much of an invalid who has been disabled by the flight from here to Madrid. So I think that two or three years more or less will not affect his usefulness.

MILITARY FLEET

THE PRESS. About the military fleet.

THE PRESIDENT. You mean the air? Well, I can not

answer that question off-hand because I do not remember what the Army has recommended. We do not really intend to acquire the number of aeroplanes than we will actually need for the instruction of our pilots and for the maintenance of public order here. The acquisition of the aeroplanes that may be needed by the Philippines after independence shall have been recognized will, I suppose, be acquired just prior to the granting of that independence. During these ten years so many changes can take place in the type and machinery of these aeroplanes that it will be a waste of money to try to get these planes. Besides, they get old too soon and therefore we are going to be very conservative in the acquisition of aeroplanes for the time being.

THE PRESS. ^{REORGANIZATION} ~~What~~ progress ~~is~~ being made in the reorganization plans of the government?

THE PRESIDENT. Outside of what I have actually done, it has been recommended by the Survey Board that we standardise the positions in the government so that each position doing certain work will be given the same salary whatever the Bureau is.

THE PRESS. Any possible reorganization of the Bureau of Science? Any chance of reopening that?

THE PRESIDENT. Why, is there a plan against that? I have not heard any plan, certainly not from the Bureau, and I want to say, in frankness, my adviser here was against it, Dr. Roxas. But I decided to do it because it seems to me so perfectly a simple and common sense proposition what the

Bureau of Science now is engaged in certain kinds of work that are, in my opinion, plainly not, or ought not to be, its work. For instance, they engage in giving injections against hydrophobia. It is all right for the Bureau of Science to have assumed the responsibility of preparing the serum, but it is a waste of time for them to do that which ought to be the work of some other office.

THE PRESS. The preparation of vaccine to be taken from the Bureau also?

THE PRESIDENT. Because once the Bureau of Science has shown how it is done, we expect other Bureaus of the government to do it. We want the Bureau of Science to devote itself to the work of scientific research and every discovery they make, ^cone they have proven it a success, will be turned over to any department of the government that needs it. But we want to concentrate the work of the Bureau of Science on research. That is what we want to do. As I said, my adviser here was against this, and if you talk to some scientists in the Bureau of Science, they will convince you that no change should be made and they use such complicated technical words that it is impossible to argue with them, so we just use common sense. We want the Bureau of Science to be the instrumentality of the government to promote scientific research and to help us to discover the use of our raw materials for new industries. We want them to discover something. We want to give to some other institution the work of ^{utilizing the discoveries} ~~developing them~~. Unless we did that

the Bureau of Science in the end would be an industrial establishment. They will be giving injections ^{against} ~~the~~ hydrophobia, they will be giving injections to animals that are attacked by this kind of sickness, they will be making matches, they will be making hats, etc. My goodness, not a Bureau of Science. As a matter of fact, we will try to do in the Philippines what the Mellon Institute is doing in Philadelphia. I am going to get some expert from the United States to come here and to tell us what to do along these lines. That is what I am going to try to do.

THE PRESS. That is a research they are doing? Will that expert concentrate on a crop or group of industries?

THE PRESIDENT. We want him to organize that Institution, or a similar institution.

THE PRESS. Will that absorb the Bureau of Science eventually?

THE PRESIDENT. It might. It will not absorb the Bureau of Science. The Bureau of Science will be converted into that.

THE PRESS. Changing the Bureau of Science into "Research Bureau," instead of Mellon Institute.

THE PRESIDENT. That is what we should like to do. We want really to develop it to make it a practical institution at the disposal, not only of the government, but of private companies. We want that institution to be converted into a sort of ~~an~~ an adviser for everybody, so that if the Bureau of Science has found, or if there is a corporation for ins-

tance that^t is considering the establishment of new industries, they can go to the Bureau for advice, and the Bureau ^{should} will be obliged to give it. In other words, we want to make this Bureau, not only an institution for the government, but an institution for private enterprises.

But that is really the reason why we are taking from the Bureau certain work that has become routine work, so as to give the Bureau more time to do things that are new, that is, in a few words, that they consider new. I have never been able to convince any one of those fellows and it is useless for any layman to argue with them. You will find yourself in five minutes where you do not expect to be, and certainly it is impossible to answer their arguments. I just decided not to argue at all.

DIRECTOR H. CRUZ

THE PRESS. What about the appointment of Director Cruz.

THE PRESIDENT. I have sent it to the Assembly.

THE PRESS. Why have you appointed him?

THE PRESIDENT. He has been recommended by the Secretary of Labor and by some labor leaders while other labor leaders are opposed to it.

THE PRESS. Did not Cruz resign?

THE PRESIDENT. I knew something about that. The Secretary of Labor wanted to have an investigation of the case of Mr. Cruz, and Mr. Cruz wanted also wanted to have that investigation. But I think the Chief Executive had

lost his confidence in the man when it is a question of the Chief of Bureau or any officer that is holding a position by appointment. When the Chief Executive loses his confidence in the man, it makes no difference what the reason is, because the responsibility rests with the man who makes the appointment. There is a great difference between a position in the Civil Service which a man occupies through certain specific requirements of the law. He ^{and} ~~meets~~ that, he is protected in his right by the law, he can not be removed without investigation and conviction; but ^{with respect to} ~~the~~ ₁ men who are occupying positions in the government only through mere appointment of the Chief Executive, there is no need of any reason other than the fact that the Chief Executive is not satisfied and the man should step out. I just advised Cruz to resign. There is no use arguing with the Chief Executive. The Secretary of Labor thought that an injustice ^{had} been done Cruz. The investigation was never made. We advised Cruz and advised Secretary Torres to do what ^{it} was their duty to do, namely, to present his resignation.

THE PRESS. The Supreme Court any connection with that?

THE PRESIDENT. I do not remember that. There was something.

I want to say this and I want to say it publicly. I would not accept a dictum of the Supreme Court as sufficient reason for removing a man from his office. The man has not been heard and he was not a party, in the sense

that he was not accused of what the Supreme Court said he was guilty of. In the first place, the Supreme Court has no business passing judgment upon administrative officials. That is going too far, unless they are considering a case where the public official is made responsible for some acts of dishonesty or something like that where the court has decided whether the man is guilty or not.

Particularly my friend, Justice Malcolm; that was his specialty, to set up in the court as the last tribunal on public morality, etc.

I want to say that if there is any charge against Cruz, I should like to have that in my hands. Here is another statement I desire to make. When a charge is presented against a public official, it is not necessary that the evidence presented should be sufficient for conviction if the case was a criminal case. In a criminal proceeding the duty of the judge, in case of doubt as to the guilt of the accused, is to absolve him. In administrative cases, in case of doubt, the man should be separated from the service and the reason is that you do not need anybody in the government service in whom you have lost your confidence, and there is nobody who has acquired a title to the position he holds in the government service. The public has the right to have ab absolute confidence in the man in the government service. The minutes ~~that~~ there is reasonable ground for doubt as to the ⁿhonesty of the man in the government service, he should be out of the service because ^{one} the man must have absolute

confidence in the man in the government service. ~~The minute that there is reasonable ground for doubt as to the honesty of the man in the government service, he should be out of the service because the man must have absolute confidence in his integrity, and if there is doubt as to his honesty, to ask his ^{for} resignation. I do not wish to remove him but to ask for his resignation.~~

THE PRESS. Cruz, not a question of honesty?

THE PRESIDENT. The Chief Executive thought that he was incompetent. The Chief Executive was entitled to have his own opinion, because it is a responsibility. Now, I do not share that opinion. I am more than inclined to agree with what the Secretary of Labor thought that Cruz is competent. We have not had a labor leader in the Islands who knows more about legislation on labor matters than Cruz does. He is one labor leader that was really a working man before he entered the service of the government. He worked with his hand. He is not one of those professional politicians that have become, by the grace of God ^a political leaders. He was a working man, and I think he knows as much about labor matters as anybody and therefore I do not object to his reappointment. If the Assembly does not want to confirm his appointment, I will reappoint him. But I want at least to place myself on record as having faith both in his ability and his honesty.

UNEMPLOYMENT

THE PRESS. Figures on unemployment that the Department of Labor has submitted to you?

THE PRESIDENT. Well, I do not blame the Secretary of Labor. He tried to get some information from all the provinces as to unemployment. Some of the statistics that they sent him from the provinces gave, as the number unemployed, ^{figures greater} ~~almost were~~ than the inhabitants of the province. I think the only reliable data is in Manila.

THE PRESS. Report of 55% unemployed this year.

THE PRESIDENT. It is very hard except through a census to determine what is the number of unemployed in the Philippines because we have seasonal laborers here. The man who works in his rice farm works three months a year or five at most. Now, after the harvest that fellow is unemployed because he refuses to work. He thinks he has done his work for the year and a very vigilant governor will count him among the unemployed. It is the same thing with the copra. In some provinces they harvest copra three times, in others four. The harvesting of the coconut lasts only a few days. For two months and a half ~~the copra laborers do that fellow is doing~~ ^{use} nothing. We have to educate our working men in the field to in raising chickens, hogs, and planting vegetables, the rest of the time that they do not occupy in farming. I am having now prepared a bill regulating the

relationship between the tenants and land owners and I want to put in that bill a provision requiring a land owner, who is a kasama, to give him so much, a lot for his house, and ~~that area~~ ^{ground} should be sufficient for him to raise a few pigs there and a few chickens and to plant vegetables. In that way there will never be a danger of hunger in the Philippines when the rice crop falls. These people will have always something to do, and we do not have to worry about unemployment. They are doing it in Batangas, the one province in the Philippine ^s ~~Islands~~ that is demonstrating how self-supporting the Philippines can be. In Batangas if the price of rice goes down, it makes no difference; the man from Batangas is not lacking food for unemployment; he is working, and when the time comes he has a house; he has chickens and he has pigs; his wife is weaving or doing something. We really do not need any market. If we imitate what Batangas is doing, nobody can defeat the Philippines. Those fellows are never complaining.

TENANCY

THE PRESS. What law?

THE PRESIDENT. A law regulating the tenancy and landowners.

THE PRESS. How large?

THE PRESIDENT. Everything that he gets there will be his. That will be in the interest, you know, of the land owner even if he does not get anything there because he will have a contented worker - a man who will not

spend his time joining associations. He will have something to do every day.

INDUSTRIES

My attention was called to the fact that there are many towns in the Philippines that have many local industries which have been disappearing because they do not receive the support of the government. But according to Mr. Meyers, the President of the Chamber of Commerce, they have not been able to organize themselves properly, so that no capitalist is willing to take what they produce, because when they find a market for a certain kind of product, they will require money, for instance, and if the people of the town refuse, they will just go on doing it, Mr. Myers tells me that until our home industries here are willing to adopt standards and produce them in sufficient quantities for export, ~~that~~ they will not make any progress, and I am considering that suggestion very seriously that the government take the leadership in educating the people to the need of standardizing their products even in the case of home industries, and I think ~~he~~ ^{Mr. Myers} is right. We ought to do something along these lines.

My attention has been called to the fact - and I am having it studied now - that there are many articles that we can produce here in the Philippines which we are importing - articles of which the government is a buyer in sufficient quantities to establish the industry in the Islands. ~~There~~ I am having studied ~~whether~~ that can be produced and I am

giving instructions to the Bureaus to buy locally what they can buy locally. We are producing in the Philippines several goods that the Army needs which we use to import at very high costs; ^{hats} for instance, ~~the hats~~. We used to import hats costing every soldier ₱12.00 each. Only the hat. We are now making hats for the Army out of coconut and is going to cost ₱2.00 each. We used to import iron beds. We are making beds of wood and we are ^{give each} ~~giving the~~ soldiers the kind of bed he uses when he goes home. These soldiers do not sleep in iron beds with mattresses, etc., in their houses. As a matter of fact, I never did myself. They sleep on bejuco or caña, and we do not make the soldier during the time that he is a soldier, a citizen of the country that is not ~~the~~ the Philippines because we make him live in the Philippines. We are only improving his food, the ^{quantity} ~~amount~~ and the quality, so that he will be healthy. We are improving his ways of living so that he will be sanitary. We are teaching him cleanliness, etc. In other words, we are making him live as he could if he went back home. We do not want him to get the habits of being not satisfied when he goes back home.

EDUCATION

Now, there is a very important thing I want to give, The preliminary reports submitted to me by the Council of Education, which I have read, has revealed one greatest weakness of the educational system that we have established in the Philippine Islands. I am not blaming the Bureau of

Education. I am blaming the government. But we have been wasting in my opinion $4/5$, at least $3/4$, of the money we have spent for education in the Philippine Islands. The result from our system of education is by no means in proportion to the amount of money that we have spent. ^(as) I will explain to you what I mean. The investigation made by the Council of Education reveals the fact that only a very small proportion of the children that go to school remains in school five years. The proportion of those who leave the school in the second or third year is very high. The result is that when they leave the school they are almost as illiterate as when they entered the ~~/school~~, so that the money spent for two years for every one of these children has been money thrown away. The result has also been this. We have not increased the literacy ⁱⁿ ~~of~~ the Philippine ^s ~~Islands~~ in proportion to the number of children that are going to school or are in the schools, so that our figures and our statistics as to the number of children that we have in the schools, the number of schools that we have do not prove the progress that we are making in converting our ^{illiterate} people into literate people. The Council of Education did not suggest any remedy, ^{but} ~~and~~ I think there is a remedy. I am going to make compulsory for every child who enters school his remaining in school for four years so that once a child enters, he or she has to attend school for four years.

THE PRESS. You can make it very efficient?

THE PRESIDENT. I am referring to the number of years

that will be required for the elementary instruction. It is that number of years he should be required to go through. ~~it~~

THE PRESS. Supposing in the beginning of the school year, he can afford and in the third year he cannot?

THE PRESIDENT. There is no reason why he can not afford in the second ^{or} third year because that is a free education. Moreover, I am going to propose to the Assembly to pass a law making elementary education compulsory. I do not know what the Assembly will do to make it take effect three years from now. I can recommend to make the law take effect immediately because we have to have the necessary appropriation for that. We have to know ^{how many} ~~what the number of~~ school buildings will be required and we have to build these buildings before we can enforce the law. We have to know how much money we require every year and we have to provide ~~the~~ that money. Therefore, I can not recommend ~~for~~ that law to take effect immediately. In three years, unless we are negligent, we ought to know the number of children, how much money will be required to build ~~those~~ schools, ^{shall} and we have ¹ been able to provide the funds for these. We are considering this duty of the Philippine government under the Constitution. The Constitution is not very direct, but is sufficiently explicit to make it the duty of the government. Whatever the ^{Assembly} ~~Legislature~~ does with reference to making elementary education compulsory in the Philippines, I am going to exert such influence as I have with the ^{Assembly} ~~Legislature~~ to pass an act compelling every child who enters school to remain in school

during the years that are necessary to complete his elementary education.

THE PRESS. There is age limit in the United States.

THE PRESIDENT. You know the Constitution provides for the education of the adult also. Though the Constitution simply says citizenship education, that requires implicitly the training of those men to read and write if they do not read and write. But I do not know yet what we can do about that. There are many things that are being done but they are disconnected with one another.

THE PRESS. The Army to be used for literacy campaign?

THE PRESIDENT. They will be used. They will be used in time of peace. We have to take the census. The first thing to do is to take the census. Every time something is presented to the government regarding education, we find that we have no facts to build upon because we have not had a census for eighteen years. The cost of the last census was ₱5,000,000.00. The Philippine government can not spend 5 million pesos to have a census, but we must have a census and, therefore, I am going to instruct the Army to use our trainees as census takers. We are going to use the Army, the teachers, the municipal secretaries, every employee of the government to take the census because we must have the census. We will make the men work without any increase. It will cost one and one-half million pesos because we have to publish it, etc. I never realize how badly this government needs a census. When you are confronted with such statistics

as we may employ, etc., it simply shows that we must have a census.

THE PRESS. What is the present law regarding age of children in schools?

THE PRESIDENT. Children go to school~~/~~ if they want to. The same bill can authorize that. The law providing for a universal compulsory education ought to take effect three years from now, but the law requiring the children who are in school to remain in school to complete the elementary education, ~~that~~ can and should take effect immediately, which means we have to provide sufficient funds for the school children that are already in school~~/~~.

Our trouble is to give money to each municipality, and the people think we can^() not meet that. We can. It is a question of finding the essentials, leaving those that are not absolutely essential.

You know, it is appalling the way some of these people in the barrios believe what they are told by the so-called leaders. These people need more education than they have. It will be impossible for some of our leaders to make them believe what they are told. All these societies would not grow simply because the people would know what they are saying is not true.

TAXING THE MINES

THE PRESS. Your stand on the proposed mine tax?

THE PRESIDENT. I do not know yet ~~what~~ the plan of the Assembly is, I do not think we ought to tax these mines

to any degree that may discourage the mining industry in the Philippines. My impression is that the Philippine government and the Filipino nation has in storage a great wealth in our mines. The preliminary reports of the Bureau of Science would justify the belief that this is one of the richest countries in the world in mines, including oil. If we tax these mines now and thereby discourage the development of mines in the Philippines, we and nobody else ~~will~~ ^{shall} be the losers. So while I believe at present the mining industry is paying very little and that the income from ~~which~~ ^{it} can and should be increased, I do not believe that we ought to go far in that, so as not to discourage the investments in mines. If our trade relations with the United States based on their present terms should be instantly radically altered upon the inauguration of the Philippine republic, the Philippines has some hope of meeting the situation which would arise until the Islands has found another market or has created new industries. ^{the} ~~the~~ mining industries in the Philippine ^s ~~Islands~~, I think, if they are properly encouraged during these ten years, can produce enough to compensate for the loss of the privileges we have in the American market and so it is very essential that the government use sound judgment in dealing with the mining industry in the Islands.

I intend to discuss with the Assembly, for instance, the proposed development of the oil industry here. Nobody knows for sure whether we have oil in the Philippines. The report of the Bureau of Science and some geologists

that have been sent to the Philippines by certain oil corporations in America is to the effect that we have oil in the Islands. Well, I do not believe that we have sufficient capital in the Philippines to develop these oil mines. The amount of money that is necessary to make first the exploration, then the drilling, etc. is too great, and such corporations have been formed here to engage in oil at a capital of P25,000 or P50,000, or something like that, are rather on their face value, a joke, and therefore what I am considering to do is how to get the government to enter into a contract with some oil corporations that have got a credit, a lot of money for doing this work of exploration and when the exploration is made, if there is oil, get the government to enter into contract with them.

Speaking of those cases in the courts, I want to say this: When I ordered the investigation by the Department of Agriculture and Department of Justice of these oil corporations in the Philippines, I was not inspired, as everybody must recognize, by any desire to prosecute anybody. I was inspired to protect the public purchasing the shares that today have no value whatever. The public ought to be informed that no sufficient exploration has been made in the Philippines for nobody knows for sure that there is oil in the country. Not even the best geologists could say that because any sufficient exploration has been made and even after an exploration when the ex-

ploration has shown that a certain locality has oil when the actual drilling is made it may yet result in a failure. Any share in the oil industry is not worth anything. Therefore, my desire was to protect the public. But evidently these people who are buying these shares do not care to be protected, and if that is going to be the attitude of the public here in the Philippines, I am not going to waste government time to protect them.

The mere fact that those people are entering ^{into} contracts with these companies that have secured license from the Department of Agriculture, the ^e mere fact that they entered into contract with these companies gave the people in the provinces the belief that there was oil there, and when the shares were sold, they paid enormously ^f for those shares, when, as a matter of fact, the only contract was with the Vacuum Oil; all that they wanted was the right to explore. They have already gone ^{and I} ~~with my~~ regret ^{that they have gone} because that is the company that could have rendered great service to the Islands. As a matter of fact, they spent lots of money. They sent a geologist here, who visited the Philippines, and was ready to pick up those places which ought to be explored, and I think the company was ready to spend money. You know it costs millions to do this drilling, but the Secretary of Justice held the opinion that they could not do this work here and they just gave it up. If the Assembly will approve the policy permitting the government to enter into contract with the oil company to make the drilling, that when they find the oil they will be permitted to develop the oil, and the government will be given royalty.

If the Assembly will approve that, I am going to ask the oil companies in the United States to come here and do the job. That has been done by Holland and the Dutch East Indies, and this is the way oil is developed in those places. The government is receiving royalty.

I am going to discuss the thing informally with Members of the Assembly first. But I want the Assembly to be informed and I want the country to be informed for this reason, because it may be misunderstood. You see, those fellows who wanted to make money in twenty-four hours out of nothing will say that they are deprived of the right to explore because we want to give these to big corporations. That is going to be the comeback. That is why I want the Assembly to know and I want the people of the Philippines to know it. I have the right to do that now under the shelter of the National Assembly.

THE PRESS. Do you consider negotiations with corporations outside of the United States? Has the State Department in Washington to do with that?

THE PRESIDENT. Technically speaking the State Department has nothing to do with it. But as a matter of policy, the government ought to do that with the State Department. That is my idea, to permit the American corporations to do it.

THE PRESS. That has nothing to do with the trade conference?

THE PRESIDENT. Because really under the Independence Act, we could get the Dutch Company or the English Company

to do it. There is nothing in the Independence Act to prevent that. As a matter of policy, of course, I won't be in favor of getting any foreign corporations to do the exploration work of our oil here.

THE TRADE CONFERENCE

THE PRESS. Plans for the trade conference?

THE PRESIDENT. I am not going to form ^(a) part of the delegation, but I am contemplating going to the United States next October or November, I want to take part in the preparation of the agenda of the conference. I am trying to get the government of the United States to have that trade conference take place in the Philippines. THIS IS NOT FOR PUBLICATION. I will tell you why. I think the preparation of the agenda in the Philippines before the trade conference should take place in Manila, first, because we can not afford to spend too much money in sending our delegation, and it would be some saving if you can have the conference here. A few thousand pesos means something; to the United States it means nothing. In the first place, as a means of publicity for the Philippines, while we have the trade conference here, everything we do will be news. If that trade conference ^{is} ~~is~~ held in the United States, it may get some place in the newspapers for the first week. After that nobody is going to pay attention to it. Here in the Philippines it is a very important news and will be advertising the Philippines during the trade conference. Lastly, everybody knows that when an American comes to the Philippines, he begins to feel differently

about the situation in the Philippines. He begins to see how much the Philippine trade means or may mean in the future. He begins to see how much it means to the prestige of America to have some kind of connection with us here and that fellow is in Washington, he may think only what the man in North Dakota wants; when he is here, he thinks in terms of the great national interests of the United States and, therefore, he will be sympathetic to what we are trying to accomplish. That is most important. I am sure if the trade conference is held in the Philippines, every American member of the delegation will be for us. If it is held in the United States, every American member of that delegation will do what every representative of Harry Lawson wants to do about sugar.

LAND LEASES

THE PRESS. In land leases, companies are restricted?

THE PRESIDENT. That has nothing to do with mining exploration. That law does not affect mines, The National Development Company is not going to be engaged in agricultural enterprises. If it does, we might just as well say good-bye to the National Development Company.

Here is the limitation. The same company can not be interested in another company in excess of 30 per cent interest. So that if there are two mining corporations organized in the Philippines to exploit oil and one of them owns 30 per cent in another corporation, that can not work in the Philippine Islands any more. That is the only limi-

tation. It is not a limitation imposed by the mining laws; it is a limitation imposed by the corporation law.

THE PRESS. You were to consult the Assembly on this oil question?

THE PRESIDENT. When I have the data about it. I am gathering all the data to present to the Assembly as to what has been done with reference to ~~the determination~~ ^{the plan of determining}

whether we have oil here or not, and where. When I get ~~this~~ ^{the matter} data, then I will discuss ~~it~~ ¹ with the Assembly. The impression of the geologists is that there is oil in Mindanao or in Cebu - those places near Borneo.

PRESS CONFERENCE NOTES

AUGUST 14, 1936

THE PRESIDENT. Good morning, gentlemen. Please be seated. Well, I am ready for your questions.

^{the}
RE TRIP TO THE UNITED STATES

THE PRESS. Mr. President, have you any special plan for your proposed trip to the United States?

THE PRESIDENT. Nothing.

THE PRESS. Have you fixed the date for your trip, Mr. President?

THE PRESIDENT. Well, I have none for my trip because out of ninety per cent of every hundred trips that I make, the original plan is always changed.
(Laughter) So, if I change my plan, that will be news.

THE PRESS. Are you planning to cross the Pacific, Mr. President?

THE PRESIDENT. Yes.

TAGAYTAY RIDGE

THE PRESS. Mr. President, can you tell us something about the Tagaytay ridge? Do you have any plan of transferring the capitol of the government to Tagaytay?

THE PRESIDENT. There is no such idea to transfer the capital. In the first place, that is not a very large ridge, but I have a plan of transferring the capital there as has been recommended by the Bureau of

Public Works that it would be advantageous to create a new city there, and I understand this plan of improving Tagaytay had been adopted by the Government, at least, by the Department of Public Works long before I became President. One day, when I went to Liang, I found that they were building a road from the crossing of that road, that is, from Mendez-Nuñez to Silang and, I called one of those men/- "What are you doing?", I asked. "We are building the road to Manila through Silang," was the answer. That is the road where I used to pass to go to Tagaytay. I said: "You stop that and if the Bureau of Public Works orders you to go ahead with the work, tell them that I gave you instruction to stop it." I thought then that it was one of the unnecessary roads we were building, so two months thereafter, Williams asked me if I gave orders to stop the building of the road, and I answered him, "yes."

"Why Mr. President," he said, "that is a very important road because if this road will be improved, it will make Tagaytay accessible to Manila, and Tagaytay is one of the nicest places in the Philippines. Tagaytay is much cooler, three degrees cooler than Manila, and it is never warm there." Well, I said to him that I would go one day with him there, and I went.

I went to Tagaytay with Williams. It was a very hot day, and we started at ten o'clock in the morning. My idea was to arrive there before noon because it is only an hour's ride from Manila. It was last May, and when I left Manila, I was perspiring all the way through and upon my arrival I walked through the ridge and when I came back to my car, I found that my perspiration had already dried up. It was so nice and cool, and I asked if there was water. They told me that there was sufficient water for a population of 15,000, and if the population should increase, still they would have enough water. As I have said, I walked through the ridge, and I found it to be the most beautiful place in the Philippines. If the government is going to spend money in building this road, we better think of something big here. I am planning to talk to the owners of the land and ask them if they will give the land free to the government where streets have to be built and if they are going to sell it at a very low price, every piece of land that may be needed for public purposes. If they will, we will go ahead with it; otherwise, we will just stop. My idea will be to create a city there, chartered city, like Baguio and have Arellano prepare a plan for the City and take advantage of every place that is worth taking advantage of for people to enjoy the beauties of nature. From Tagaytay, you can see Laguna de Bay and the China

✓ Sea. You can see Mariv^eles very well. The sunset is marvelous, and when you look toward the lake, you behold the most glorious sight of the place. I want to have the Manila Hotel a branch there, a golf court, a place for a national building, a fine park, etc. In other words, I should like to build a modern city there and if that is done, we will have the busy people in Manila, at least, to spend their week ends. When the road is finished, it will be fine and what improvements we could not ^{make} ~~do~~ in Baguio, we will ^{make} ~~do~~ here. The busy people can ^{make} not ~~go~~ to Baguio as often as they want to because of the distance. If they go, they go occasionally, and if they go, they have to abandon their work, which is not the case when they go to Tagaytay for you can reach the place or return to Manila in an hour. If you leave the place at 7, you will ^r arrive in the office at 8. In other words, the people who have business in Manila can spend their week ends in Tagaytay. Another advantage Tagaytay has over Baguio is that Tagaytay is within reach of the people of ^{the} middle class who can take advantage to take their vacation in Tagaytay, which they can ¹ not do in Baguio. So we are studying now this matter. I am not going to do anything until we have secured the land at a ver^y low price for public use, like golf court, hotel, roads, parks for the city, school sites, municipal build-

ings, etc.

THE PRESS. Will there be a government building like offices of the government?

THE PRESIDENT. Well, I do not know. I should like to have the land, and in case the ^{Assembly} ~~Legislature~~ cares to build their Offices there, why, they can do it. They can hold sessions there, too -- we could have the Legislative Building transferred to Tagaytay, we could have a branch of the University there. I have always found out that the University of the Philippines has been located where it should not be located -- in the center of this metropolitan city. The boys are exposed to all kinds of temptations and all sorts of things. Tagaytay is a place where the boys would have a fine climate and where they will have no occasion for going to places that are not the places for young people to go whose health might be affected, and I think that with the exception of the College of Medicine, the whole University may be taken there. The only question is the expense. But Dr. Bocobo suggested to me that if the National Government could use for its offices the buildings of the University, instead of building the offices of the government, we could do it. If they could use the building of the University it would be good because the people would not have to go from one place to another. I do not know whether it is favorable or not. I have not gone as far as that.

We are going to prepare Tagaytay as a place for tourists, as a place for business men living in Manila and as a place for the middle class who want to go for a change as there is a difference in climate between Manila and that place. That is the most important use of the place for tourists once the road is made, and I do not believe that any person who comes to Manila does not go to Tagaytay.

THE PRESS. Will Tagaytay be a good place for sightseeing to tourists?

THE PRESIDENT. Yes, but I am not doing anything in that connection until we build hotels. That, in my opinion, is the first thing. We have to advertize the Philippines, and people who come here will see, not only the place inside, but also see places outside. As it is now, we do not have good hotels to go to, and people do not live on sceneries alone; they also live on bread. My own experience as a traveler is that unless I ^{had} ~~have~~ a good bed and place to stay, by Gosh! I ^{would} ~~had to~~ leave the place immediately with anger and disappointment. But we have very few places in the Philippines that can be developed for tourists' purposes. One is Tagaytay, and in Mindanao there are also several places. Mindanao is a wonderful place.

THE PRESS. Do you not think that if Tagaytay is purchased and the government build hotels so that the Manila

Hotel will have a branch there, it will not discourage private capital?

THE PRESIDENT. No, unless they build the hotels on the roads. Nobody seems to be interested in the business of building hotels; I am not interested in building hotels at all. Of course, the government has made lots of investments, but if anybody should offer to buy Manila Hotel for P500,000, I would let it go.

ANOMALIES IN THE ARMY

THE PRESS. Has Assemblyman Oppus brought to your attention the alleged anomalies ⁱⁿ ~~of~~ purchasing supplies *for* ~~made by~~ the Philippine Army?

THE PRESIDENT. No, nobody has brought them to my attention except the newspapers, and I tell you it is going to be a very strange thing if anything that appears in the newspapers should be true and of which I know nothing about. I do not need Oppus to tell it to me because I would have known it even without anyone telling it to me.

EUCCHARISTIC CONGRESS

THE PRESS. Is the government taking a hand in the preparation for the arrival of the delegates to the Eucharistic Congress?

THE PRESIDENT. No, Sir.

MINDANAO

THE PRESS. Some time ago, in our discussion of the Davao situation, you said that you would study and perhaps

you would recommend it to the Legislature. Is that in line in this period of the Legislature?

THE PRESIDENT. Well, have you not read my message about Davao? That settles the question. I said everything about it in that message of mine to the National Assembly.

THE PRESS. But you said something about constructing a railroad line there, Mr. President?

THE PRESIDENT. As a matter of fact, we are doing it. There are many people working there now and they are going ahead with that road, working from three different provinces. We are gaining time in that way. They are going to meet, that is, we have started from three different places, so as to accelerate the work, and I expect to make an automobile trip next June from Davao to Cagayan.

THE PRESS. I think the District Engineer is sending many men to work on the road.

THE PRESIDENT. Yes, many of those fellows will remain as settlers there. You know what I am going to do is this. I will have the Bureau of Lands survey all the lands along the roads; we would not permit the people to take land except at a distance of 60 meters on either side of the road. We are reserving the land beyond that. The land connecting with that is being subdivided for homesteaders. The homesteads will be

long so that the front of the homestead will be toward the road and will not be very wide. The idea is to give to as many people as possible the opportunity to own land. Then next to that is the land that we are reserving for the corporations to take. In other words, we do not give the roads to corporations and we are reserving lands for roads that will permit the owners of the public lands that are beyond to take their products to the main road. We are not going to permit discrimination of any sort as has been done in the past, and we are going to give preference to the men who have been working on the road, to men from other provinces who are coming there with a little capital to buy carabaoes and implements and settle there.

THE PRESS. Where will you use this 60 meters, Mr. President?

THE PRESIDENT. In case we want to extend the road and to ^{plant} ~~build~~ trees along the roads. You see, the Philippines is a hot country and if every road is ^{provided} ~~built~~ with trees, people walk along the side road. We have lost a lot of money, I mean, it is going to cost the government a lot of money to reserve lands sufficient for the roads to be widened. I think that 50 years from now we shall have enough roads. I think 60 meters is enough for roads, for we may be travelling in airplanes; perhaps even in

Assembly
going to the ~~Legislature~~ we may be travelling on the air and the accident will be on the air.

ANOMALIES IN THE ARMY

THE PRESS. Mr. President, in connection with the anomalies in the purchase of Army supplies, has Assemblyman Oppus reported to you about it?

THE PRESIDENT. I do not know anything about it. As I have said, I can only ^{say} ~~tell~~ that I am not informed about it. Well, I am going to keep it hot for some of these people because I believe that that matter should have been brought to my attention. They are making the investigation, and I am not placing any obstacle in that, that is, any investigation that the National Assembly may care to make along that line will be welcome, but the Chief Executive must be informed first because it is disrespectful on their part - what they are doing now. Of course, I want to make the investigation when there is ground for it. I think the charge is that the army has bought several revolvers at a very high price. What did they buy?

THE PRESS. Revolvers, beds, etc. They said that in case of beds costing P12 each offered by one was preferred to beds at P7 of the same material.

THE PRESIDENT. If that be true, the man who accepted the bid will have to go to jail. Beds of the material

selling at P12 was preferred to beds costing P7 each, why, that means an increase of the population of the laity. You see what we are doing in the Army is this: we have bought guns for the Army and we have saved several million pesos out of this. In the end, when we have bought the rifles that we need, we would save from 15 to 20 million pesos. In the purchase that we have already made, we have saved already 3[?] million pesos. [?]

Did those

THE PRESS. ~~Is that~~ savings comes from the purchase of rifles only, Mr. President?

THE PRESIDENT. Yes, before we bought rifles at from \$30 to \$45, now we buy them at from \$3 to \$8. And we are making a lot of those purchases.

THE PRESS. Are you at liberty to disclose whether these rifles are good?

THE PRESIDENT. Yes, and all I know is that they are American arms.

THE PRESS. Can you tell us the shipment of these rifles?

THE PRESIDENT. I think they are around 50,000.

THE PRESS. Has the government taken any step in purchasing artillery of heavy arm?

THE PRESIDENT. We are going to buy some of those.

EXEMPTION OF DONATIONS FROM TAXES

THE PRESS. What do you think of the measure now before the Assembly regarding ^{the plan that} property donated to charitable and religious institutions be exempted from the payment of inheritance tax?

THE PRESIDENT. I am against the exemption, for this reason. The government, ~~is~~ at least, this government, is spending money for educational purposes, for charitable institutions and if that is the case, why should there be exemption when the donation is intended for a charitable purpose, why should it be exempted from the payment of taxes when the government is also doing that work?

THE PRESS. How has this tax exemption gone thus far?

THE PRESIDENT. I understand there is no exemption, and of course, there was no exemption. I still prefer that the exemption be stricken off. I understand there is no exemption in any of those things. Well, the most charitable institution is the government any way.

PUBLIC WORKS

THE PRESS. Mr. President, have you approved the hydraulic plan in Infanta, Tayabas?

THE PRESIDENT. I do not know anything about it.

THE PRESS. But there is a bill presented before the National Assembly

RELEASE OF NEWS

THE PRESIDENT. It is not surprising that notice of this sort was published before the President should

know it. But I am criticizing my own people and I am going to make it hot for some of them. For instance, the Herald published ^{this story} the other day with this headline: "THE SURVEY BOARD IS TALKING THROUGH ITS HAT. THE ROAD BOARD SAYS SOMETHING." I have not seen the report, but a Herald reporter tried to communicate it to the Chairman of this Board. Why, this was printed before I saw it. It is an official discourtesy that the report is published before it is submitted to the President. It is an official discourtesy. Of course, I do not blame the reporter for publishing it for if I were the reporter, I would steal the news if I could, but in that case, I understand the report was given out before it was submitted to me. When communications are addressed to the President, the President is the only one that can give them to the press. The other party has no right to give it. Nobody has the right to tell to the press, anything about the conversation had between the President and another person, but what happens is that the minute they leave me, everybody knows what it is about.

I understand THE HIGH COMMISSIONER
~~Now~~ that ^{the} publication which appeared in the Bulletin, ^{was}
~~I understand~~ ^{based on an} ~~this~~ information ~~was~~ given by ^a ~~that~~ member of
the House. Well, the information given by that member of
the House was not correct. I do not mind telling you,
gentlemen, what happened there, I have an understanding

with the High Commissioner that whenever I wish to make use of his office I am free to call, which I think is very nice and gracious for the High Commissioner to do. And in view of that, on more than one occasion, I have asked Mr. Jones to go over a certain matter that has some bearing on financial aspect, and to let me know his views about it. Well, Mr. Jones never expressed any views whenever I asked him to give a little memorandum expressing his arguments in favor of this; he does not say he is against this because it is against a certain precedent, etc. That is the way he does things, even though I have asked him to give me his views. Now, in this particular case, I have a project for the issuance of seven million peso bonds and I asked Mr. Jones that he personally go over that and let me know what he thinks about it. Well, Mr. Jones just wrote down the argument pro and con, the good side and the bad side, but he expressed no opinion. Well, one day the Chairman of the Public Works of the House, Mr. Cuenco, came to see me and he was accompanied by another member, no, he was Mr. Marabut. He asked me if I ~~was~~^{were} going to recommend to the National Assembly a bill authorizing the issuance of seven ^m~~million~~ ^Tpeso bonds. I said I was not sure yet because I was studying the memorandum Mr. Jones had given me. Well, he left me. Now, about 20 minutes later, Nazario asked me, "Mr. President, is it true that the office of the High Commissioner objects

to the issuance of the seven ^m billion peso bonds?" I answered, ^{"no, don't"} ~~no and told him: "Don't"~~ print that because it is full of dynamite." Then I said, "Call Vargas and have him telephone ~~/~~ all the newspapers not to print it because it is full of dynamite." Nazario told me that it was not necessary because there was nobody besides him that knew about that. "I am the only one who knows that, Mr. President." Evidently, that statement of Nazario that nobody was given this news came true, and I forgot all about it. Monday morning, as usual, at five o'clock, I walked around the building. I had a terrible headache. Evidently, I got an indigestion (when I came) from Calauang. I went to my room. I got the Bulletin and I saw there this news. I immediately got out of my bed with fever and all, and I got my pen and I myself wrote my statement. I felt very bad about it; I know that Mr. Jones would give his own statement. After all, he was the most affected about that news. I do not know how Cuenco stated the matter, but I have an idea. The trouble about these reporters is this. I suppose Cuenco told Nazario that the President does not know whether he is going to issue the bonds because there is some doubt about it after my consultation with Jones. As I have said, I knew what was going to be the reaction to ~~these~~ ^{the} news because I said that that is charged with dynamite. Cuenco might have understood I was hesitating because the High Commissioner was objecting. As a matter

of fact, Williams thought that Jones ^{didn't get you} was crazy. He came to me with this complaint, "I thought, Mr. President, Jones is ^{didn't get you} ~~full~~ crazy." I asked him, why, and he answered: "Because here, from the beginning to the end, he has not expressed anything." I told William that Mr. Jones does not express an opinion; he just calls attention to arguments in favor of this ~~or~~ against that, etc. He is adopting a very wise and conservative policy. The papers like "The Philippines Herald" and "The Tribune" to which I am thankful, did not take notice of the fact, they just presumed it. But the editorial of the Bulletin, and, perhaps, it is well that it did happen because I hope that because it happened, it will never happen again.

THE PRESS. But Mr. President, the use of the word "mischievous" in your statement is the reason for writing that editorial.

THE PRESIDENT. Now, Mr. Smith, no one has the right to say of this government in that language, and I am not going to permit that such language be used as long as I am the head of this government, when you said the High Commissioner "put thumbs down". The government of the Commonwealth deserves to be respected. When you ~~said~~ ^{were} say "Put thumbs down", you are treating the government of the Commonwealth as ^{a government} being run by irresponsible kids. You could just as well say that the High Commissioner had some objection, or doubts the wisdom of the issuance of this bond. But when you speak of that government as irresponsible, by Gosh! you just deserve to be

17 -
Let me tell you that I sent for Romulo for that statement, and like any newspaperman he likes to shorten that and since I was sick, he took the liberty of shortening the statement. I ordered that before publishing the statement, I would have to see the correction made by Romulo; and before 12 o'clock I asked Vargas for it, and he brought the copy with the correction. I tell you I have deliberately put every word in that statement and that was prepared by me. I resented ^{that editorial} it; I am resenting it still. You can see how I have reacted to this. I think the Government of the Commonwealth deserves some courtesy from the people of this country and of every other country.

We are trying to do our best to make this government worthy of the respect of civilized and progressive peoples of the world. I am working like a dog, and if / somebody will take the advantage of every opportunity to criticize and treat this government as if it were run by irresponsible kids, my Gosh! I would not tolerate it.

THE PRESS. Your reaction, Mr. President, clarifies you stand when you said that because it did happen, it might not happen in the future.

THE PRESIDENT. My statement clarifies the position of everybody because that statement is in accordance with law. I myself have a copy of the Tydings-McDuffie Law;

I have to keep it in my own hand. Do you know how much temperature I had then? I had 103. It was very important news considering the fact that it affects the establishment

of the Government of the Commonwealth. It appeared that there was an agreement between the Government of the Commonwealth and the High Commissioner,--you see the High Commissioner has the right to express an opinion, of course, at least in the spirit of helpfulness. The position of High Commissioner has been created by Congress, not with any idea of embarrassing the Government of the Commonwealth, but with the idea of being helpful to the Government of the Commonwealth, and, of course, to safeguard the interest of the United States who is the sovereign power. Well, the High Commissioner has three rights which, I think, he has in his article, expressed very well. The Commissioner has the right to be consulted, the right to advise and the right to warn. This is a joint responsibility in a way with the American people. The success of the government will be a credit to America as well as to the Philippines. If we fail here, it will be a discredit to the Philippines as well as to the United States. ~~Well,~~ ²
~~if~~ the High Commissioner, after I have consulted him, can advise anything well and good; but after getting his opinion in those matters within his jurisdiction, I still reserve the right to act against his advise^c, if I think that I should have to do it. But if he knows that after getting his opinion, we decide otherwise, which may not be to the interest of the government or of the people, he could say: "Mr. President, I do not want to interfere with this case. That is your privilege, but as a well-wisher of

this government, may I make some suggestions?" "Why certainly," I would answer. Then he can continue saying, "It is true that what you intend to do is all right, but it might have this effect, etc." Then I would answer, "My Gosh, you are right; thank you very much. It is good you have called my attention to it for I would have simply overlooked it."

(Continuing)... The President can ^aonly act on few specific cases such as his power to annul certain laws. The purpose of the law is to give power to the Government of the Commonwealth and by virtue of that power assume responsibility for what is going on there. Therefore, I have to act when it is a matter of policy by issuing executive orders.

THE PRESS. Mr. President, do you have a right to a hearing?

THE PRESIDENT. Certainly.

THE PRESS. Is it not the High Commissioner that makes the report direct to the President of the United States?

POWERS OF THE PRESIDENT

THE PRESIDENT. Yes. AS I have already said there ^{are}were only few instances where the President can annul a certain law. Supposing a law was passed which is contrary to the Constitution of the United States. Supposing we pass a law impairing the performance of a contract. In that case the President may suspend the enforcement

of that act.

THE PRESS. Mr. President, will it not affect the performance of some important public works to be done if there is no meeting of the minds?

THE PRESIDENT. I do not think so. In the case of public works, the President can suspend that. I will give you an example. Suppose the Bureau of Public Works enters into a contract for the building of a palace for the Chief Executive worth 50 million pesos, the President can suspend that because the Government of the Commonwealth has no money to build that palace for 50 million pesos; I can suspend the construction of that palace; we have the right to do that work. The same thing is true if we have a contract to build a one million peso palace. The President could not suspend that, but if we sign a contract with the contractor and the President knows that the contractor will build a palace, when it comes to the payment and the Government can not pay, the President can suspend that work. Well, gentlemen, do you have any more question to ask me?

THE PRESS. Mr. President, in the name of the morning papers, I would suggest that we hold our conference in the afternoon.

THE PRESIDENT. You know the reason why we have chosen Friday morning for holding our conference, it is because we are supposed to discuss matters which affect

*for holding the conference
the news may
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the interest of the representatives of foreign papers.
It is said that the best time ~~for sending news that will~~
be printed in the largest number of papers will be to ~~is~~
place the conference on Friday; at least, that is what
I have been told. Now, gentlemen, it is up to you to
choose the hour and the day you want to hold our con-
ference. As for me, I can meet you any day, except Sa-
turday and Sunday because I think you are more inclined
to enjoy a little vacation on those days. So just fix
the day among yourselves.

THE PRESS. Mr. President, I wish to suggest that
we hold our conference alternately, that is, one Friday
let ^{us} hold our conference in the morning and the next *following*
Friday in the afternoon.

THE PRESIDENT. I think that will be all right.
Good-bye, and thank you gentlemen.

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FP/db

PRESS CONFERENCE NOTES

SEPTEMBER 4, 1936

THE PRESIDENT. Good afternoon, gentlemen. Please be seated. Now, I am ready for your questions.

RE = POLITICAL CONDITION OF EGYPT COMPARED WITH P.I.

THE PRESS. Mr. President, what do you say about the political condition of Egypt as compared with that of the Philippines?

THE PRESIDENT. I have no objection to talking to you here regarding this question, provided our conversation does not go out of the four walls of this office. The affairs of the state, of any other state, is not for publication. What do you wish to know Mrs. Nathorst, in connection with this state of affairs in Egypt?

THE PRESS. Just the policy, Mr. President, that would indicate that nations like the United States and the Philippines, that is, for instance, the ten year transition period--will it be the same in Egypt and a little bit different in China, or is it a ...

THE PRESIDENT. It is very hard to answer that question, for in the relations of these great nations where their former colonies have demonstrated more than what it appears, whether in the newspaper or in any other manner, *that* *these acts* are not ~~of course~~ acts which tend exactly to show as to what kind of a government exists in those former colonies.

It was many years ago that I first read about Egypt as an independent nation, and yet in this last concession, their understanding or their agreement between England and Egypt, seems to indicate that Egypt was no more independent than the Philippines under the Jones Act. I never believed that Egypt was really independent. So I do not know how far self-government will go, and when I speak of self-government, I do not necessarily use it in the Anglo-Saxon sense. I mean real independence which may or may not be ^{accompanied by} ~~coupled with~~ self-government. I do not know how much real independence is given to Egypt.

They are going to increase the force very much, and the Egyptian government will build a route between Alexandria and the Canal Zone and there make a garrison of British troops.

In other words, instead of England having soldiers they are going to have soldiers in the air. (Laughter.)

And they speak of a system of Egyptian government in which Egypt establishes her own army, infantry, etc.

Well, I think that after the lapse of ten years, Egypt will have much independence or little independence as she is now under those conditions. Of course, we have to take into consideration the situation of England there. England is a very important question. To have the Suez Canal under her complete control where she considers Egypt as her ^Cstratigical position to Egypt, she looks for

the necessary socc^{ur} to control the Suez Canal. Again her interest in the Sedan will make it very hard for England to recognize complete independence of Egypt without jeopardizing her control over the Suez Canal and her interest in Sedan. In case Egypt so desires after having become completely independent to be allied with some European nations other than England, again, that is the situation with regard to Egypt, and she will always insist upon having an air base there and a naval base in Alexandria. To that extent, Egypt will never be absolutely independent, in my opinion.

THE PRESS. But it is suggested that England attempt to make friends instead of

THE PRESIDENT. You mean that the Egyptian will be satisfied?

THE PRESS. Yes, Mr. President.

THE PRESIDENT. I am not aware of it. As I have said, I am not blaming England for what I am going to say for I do not wish to have it implied that I recognize the right of great nations to sacrifice, the right to independence of the smahler nations with respect to their national interests, to the interest of the great nations, but the fact is that no nation is going to give up any power that she has when by giving up that power she is going to jeopardize her means of defence or her national interest. The reason is that it makes independence in

certain cases without due regard to the rights of another as conflicting with his own. Nations have only one reaction, and that is in favor of their interest, considering it as supreme, as ^{superior to} ~~against~~ any other interest. That is the situation, so I do not believe that England will give up. How that will affect the Egyptians, whether they will create in the mind and the hearts of the Egyptians this further concession made by England which from my point of view is purely apparent, I am not in a position to answer. The way it looks, England seems to have told Egypt this: "Now, gentleman, you have all the independence. If we do not want to have you with us, it is all right, but we think we might be able to do you some good if you will permit us to have a naval base and an air port in Alexandria so that we may serve us your defense against any of the European powers that may attempt to conquer Egypt. So if you care, we are willing to sign a treaty or an alliance with the offensive and defensive allies." Perhaps the Egyptians would accept it if the matter was presented in that way, might have accepted with real satisfaction to give England a naval base in Alexandria and air ports; but if England is retaining that power and demanding it, I do not think that it will breathe fair sentiments among the Egyptians there. That much, I am in a position to say.

One reason why I objected strongly to that provision of the Hare-Hawes-Cutting Law which gives the

the United States the right to retain military reservations in the Philippine Islands is that I knew that that was going to keep up the agitation in the Philippines, sooner or later. To give those army reservations out and thereby create a mental attitude here on the part of our people towards a situation, brought about by the arrangement agreed upon between the United States and the Philippines, it takes much longer time. It would be different if it was provided in the Tydings-McDuffie Law, that the reservations would be returned if and when independence is given to the Philippines. Now, I believe that is not the kind of relationship that might be agreed upon between the United States and the Philippines even after independence has been established here, which will be in the interest of both countries and which will be consistent with the dignity and self-respect of the government of the Philippines, and yet if that army reservation were provided in the Independence Law, that would have prevented any kind of relationship to continue after independence has been established here, because the rabid demagogue would continue the agitation during these ten years and make the Filipinos feel that whatever relationship there has been with America--ever since the administrative machinery of government has been established and expressly with the American capital and all those functions of which we are getting tired hearing. Now, that is my opinion of the situation in

Egypt, but as I have said, I do not want, in any way, to be quoted. I do not want these statements published.

~~RE~~ COM. PAREDES REPORT

THE PRESS. Mr. President, when will you release the report of Commissioner Paredes of his work?

THE PRESIDENT. I promise the morning papers they could publish it. I do not want my associates to break that engagement.

~~RE~~ BONDS OF WORLD WAR VETERANS

THE PRESS. Mr. President, what do you say about the bonds of the Filipino and American veterans of the World War?

THE PRESIDENT. Well, I have had a talk with ^{Mr.} Jones personally and I even want the Philippine National Bank to advance the money, but the President of the Bank said that there was some objection because if they give the money to somebody who happens not to be the person entitled to receive it, the Bank has to sustain the loss. So I suggested to Mr. Jones that really payment should be made in the Philippines. In my opinion, under the laws of Congress, ^{and} the one that ought to assume that responsibility is the National City Bank of New York. The National City Bank of New York is one of the members of the Federal reserve system. The National City Bank beat the Government of the Philippine Islands in a law suit upon the ground that ^{because they} by being a member of the federal reserve system that

particular law would not apply to them. Well, I told Mr. Jones that I am surprised to see that the National City Bank refuses to have anything at all to do with this which involves a responsibility, when they are so willing to claim rights which they allege is coming to them as members of the federal reserve. I want the bank to do it, for I think, under the law, they should do it. I have called the attention of the Commissioner, that is all I have done. I really want to be of help to these fellows. This is a great deal of money if it will be sent here, but I cannot very well compel the Board of Directors of the Bank to do certain things that are not authorized by the charter.

THE PRESS. Mr. President, if the Treasury of the Philippine Government will act as an agent of the Treasury of the United States Government in taking such obligations, will that be possible under the law?

THE PRESIDENT. Well, I have not done anything more than that because the matter has not been discussed directly with me by Washington. That is, the question has been discussed with the High Commissioner, and the High Commissioner has asked me what he is going to do about that, whether it should be paid through the National Bank, and I said that as far as I am concerned, if the Philippine National Bank refuses to pay it, we could not do anything, unless we amend the charter of the bank.

But, of course, I am going to protect the interest of these people. The High Commissioner has not spoken to me about it.

THE PRESS. Mr. President, there are approximately five thousand veterans waiting for these bonds, and 90% are Filipino veterans who are actually in acute want. The bonds may be paid through the Provincial and Municipal Treasurers, the City Treasurers of Manila, and Baguio and Philippine postmasters may certify identification of the former soldiers. Certificates of identification must be supported by fingerprints of the veterans and the bonds accompanied by the certificate must be sent to the Treasury of the United States in Washington for payment.

THE PRESIDENT. Well, if that is the case, how can there be any possibility of not identifying these fellows? If they are from the town, they are easily identified because even the dogs can identify them.

THE PRESS. They are willing, Mr. President, to pay in the United States and to authorize here to pay the bonds, but the condition imposed is that if a certain person is paid and he is not the real person, who will ~~be~~ ^{be} ~~stand~~ responsible for him?

THE PRESIDENT. Mr. Jones told me that they are willing to send the money and have any one of our banks make the payment. What are the usurers going to do about that?

THE PRESS. The veterans sign a personal note, and the usurers get from 40 to 50% interest.

THE PRESIDENT. Yes, when under the law certain-
(President stopped ^{to read} ~~and was reading~~ a cablegram.) Yes,
that was August 11 when Washington sought my opinion
regarding this matter, I recommended that these officials
who have been authorized to certify, should be permitted
to pay the bonds in the Philippines, and this morning
I notified Washington to the effect that these five
thousand veterans, American and Filipinos, are desti-
tute, and that in order to save them from the pangs of
scrupulous money lenders, I request that they be permitted
to cash their bonds in the Philippines.

^{the}
~~RE-~~ FAJARDO CASE

THE PRESS. Mr. President, when will you announce
the Fajardo case?

THE PRESIDENT. I sent the papers to Vice President
Osmeña for his comment.

^{the}
~~RE-~~ MINING

THE PRESS. Mr. President, have you been informed
of the anomalous transactions going on in the stock mar-
ket?

THE PRESIDENT. Yes, I am looking into them. They
transact business by going around the law. I am going
to have, very soon, a draft of a bill for submission to
the National Assembly, similar to the national security

act of the United States to be enacted here. I want you to know that I have looked into every detail of what is going on in the stock market and I even had a conference with our bankers here. While everybody says that there is a lot of gambling going on, which is not a very healthy condition, they do not seem to fear that any possible crash may come as a result of them. The banks are not in any way seriously involved in those transactions. They have loaned no money, except on very good securities, securities of corporations that are already paying dividends. They are loaning money, knowing that the dividends are actually being paid ^{out} ~~in~~. They still don't give as much money as the value of these shares, considering that these are paying dividends. They leave a very safe margin so that as far as obligations of the banks are concerned, they are not doing anything that will likely impair their liquid conditions regardless of what may happen in the market. That is all right; they are taking the necessary precaution and in many cases, when they accept these stocks, they do not accept them as securities at all. In other words, they take securities which are sufficient for the loan they are making and they only take these stocks as additional securities. So the bank is sure. And nobody could suggest how we can stop this gambling, although we have to find some way of stopping the selling of shares that have no proven value

at all. The laws of the Philippines provide for that case. Nobody has the right to sell shares unless he is authorized by the Treasury Department. But we want to go further; we are considering compelling these corporations before they sell their shares, to make a statement of what they have, of ~~what~~ they have really found, get those statements verified by competent engineers appointed by the government, and only after that has been authorized, should they be allowed to sell their shares. I think that will be helpful. We can not go very far in the preventive measures that we are taking for that may result in stopping further development of the mining industry and perhaps stop the flow of capital from outside into the I islands. We have to be careful that in applying the remedy, we do not kill the ^{patient} ~~person~~. But I am interested in protecting the public from these professional swindlers because I do not want to discourage the fellows who invest in these mines. This is the first time that the people are taking their money out of their old trunks, and it would take thirty years before they will ever attempt to make any investment. (Laughter,)

THE PRESS. And some of these corporations, Mr. President, have found a way of selling their shares before they are incorporated.

THE PRESIDENT. Yes, I have seen some subscriptions made before the incorporation, they have to do that. I do not object to that, for that is perfectly legal. A man who puts his money and is innocent, ^{may be only} ~~he is~~ taking chances,

for, after all, there may be or may not be any gold at all. But here is where the swindling comes. A man comes along with a share worth P500 and says, "We have this corporation engaged in mine. Do you want to buy my shares? And many will pay two or three times the value of the share. People in the provinces think that all these mining corporations are earning much money and the worse part of it is, that the people insist upon being taken in this original association because they think that they are getting on the ground and later on they will be able to sell their shares at one hundred per cent profit. In the case of the person who is doing the selling, it is all right, but the poor fellow who buys, thinking there is gold and afterwards finds there is no gold, he is certainly being swindled. But how am I going to stop that? If I do, I shall obstruct the future development of the mining industry. Of course, those who already have mines and have sufficient capital, they simply have to control monopoly. If we pass a law prohibiting that the only Filipinos that would be allowed to further develop are those already in business, and that they will see, before making the sale, whether they have the mines or not. Those who will do, of course, will do it in good faith while some other corporations are interested only in finding subscribers and in the organization of the company itself, and once they have the money, in a short time it disappears.

Of course, there are very few corporations who have big capital, but I am not afraid. I was a little bit uneasy for about 10 or 15 days. I am going to try to prevent that because that is pure swindling. But I am not going any further, nor do I want to scare the people, by giving the impression that the whole thing is crooked. And we are getting a lot of money outside.

And I am going to punish some of these companies advertising things that they do not have. That is a deliberate fraud upon the public in general. Of course, there are good companies that have been selling their stocks at much higher price, but those that get higher prices through the publication of news that are so carefully worded that give the public the impression that there is much profit, are really committing fraud. And by Gosh! I may have one of these cases investigated because the people who gave the statement that they knew what they had and they knew what effect the publication would have on the public must be punished. That is one thing you have, the right to intervene because the public, in general, has the right to be protected against advertisement of this sort. Somebody knows that his property is worth only four hundred pesos, he knows how many shares of stocks he has and then he goes out with the statement given to the public that his property is worth ten or sixteen million pesos, he is deliberately defrauding the public.

~~THE~~ - ^{return to the} MOVEMENT TO ~~GET AWAY FROM~~
~~BICAMERAL SYSTEM OF LEGISLATURE~~

THE PRESS. Mr. President, there is a talk about the possibility of a movement to get away from the unicameral system of Legislature, would you please tell us something about this matter?

THE PRESIDENT. No, I do not think there is any movement. I want to confess that I am not very strong for this unicameral legislature, but perhaps as by force of mental habit, I would feel more at ease if our Legislature were composed of two chambers. Despite that feeling on my part, however, I am not thinking of starting any campaign to have the Constitution amended because we ought to give the Constitution the chance to develop and work out ^{if} and as we can see ^{that} whether there are any provisions that do not meet actual conditions, and we should allow it to work until such times ^{results} as these have been demonstrated. Now, I am inclined to believe that the best policy is not to touch the Constitution, to let it stand so as to accustom the people to look upon ^{it} the Constitution as something not to be changed in accordance with the mood of the country to any given time, but something to be respected, defended and maintained so long as any one of its provisions ^{has} have not proven unworkable in actual application. My frank opinion about this bi-cameral legislature is that if the Constitution provided a Senate elected through^{out} the nation, that Legislature composed

of a Senate elected by the nation at large and a National Assembly elected by districts, would have given us a very strong Legislature and would have served other purposes not directly connected with legislative action that would ^{be} have been of great benefit to the country. For instance, a Senate elected by the nation at large would have contributed to the strengthening of the national sentiment and consciousness among the Filipinos, for every one of these senators would have felt and acted as representatives of the nation, rather than of a district and in turn the electorate would have realized more fully their national solidarity, when, besides the President and the Vice President, they elected ~~all the~~ ^{/// /// /// other} officials as their national representatives, such as members of the Senate. The creation of the Senate so elected would have done away with those so-called pork barrel system because every senator has to work upon projects from the standpoint of the nation's interest and the reason why a certain senator would have acted in this way is first: The election of a Senate at large would create a sense of responsibility towards the nation, which the former Senate did not have; second, because from his political interest, a senator would feel that it is better for him to act in the interest of the nation instead of in the interest of any locality for he knows he could not be elected by the voters of that locality alone, that he is not expected to work for any given district but for the whole nation.

So I advocated that the National Assembly create a bi-cameral system of Legislature with a Senate elected by the nation at large and a National Assembly elected by districts. The reason why the Assembly decided finally for one Legislature is that there was a difference of opinion as to how senators should be elected. There were no sufficient members of the Constitutional Convention that favored the election at large and when this proposition was submitted, it was defeated. It happened like this: When the proposition was presented that the members of the Senate be elected at large, those in favor of the proposition voted against it, and those members of the Constitutional Convention who wanted that the members of the Senate be elected by districts, voted in favor of the election at large, and the proposition that senators be elected by districts was defeated. So, finally, the only thing that came out of that fight was a unicameral system of legislature. That being the result, I am not going to start a move, to change the unicameral system to a bi-cameral system of legislature.

With the creation of the National Assembly, they themselves created, through their rules, an instrument whereby a second discussion of a measure already approved by the Assembly may be held. The advantage of the measure presented for a second discussion by the Committee on Style on Third Reading is that it has the power to order the printing before the bill is voted, upon finally by

the Assembly. This Committee has the right to introduce amendments of those kinds, amendments in form, and the Assembly practically does not discuss those amendments. They just accept them as submitted by the Committee on Style on Third Reading that may offer amendments affecting the substance of the bill, so to speak. When they introduce these amendments, it is their duty to print the amendments separately from the bill and to call the attention of the Assembly to the fact that there is this important amendment. Then the Assembly votes on that amendment. There is no more discussion to avoid waste of time, but they vote separately on every amendment. In this way a mistake that might have been made in the bill as first approved can be remedied by the Committee on Style. It is a very good idea and it diminishes the danger of reaching a hasty conclusion by unicameral system, so the Assembly itself has created its own chamber.

When we had the Philippine Assembly the Chairman of the so-called Committee on Style was the Hon. Sergio Osmeña, the Speaker of the House of Representatives. He got every bill that was passed and rewrote it as many times as he wanted ^{to,} and sent it back. That is one thing, of course, which I was not able to do. If it was a meritorious work, we have to give the credit to Mr. Osmeña, and I gladly admit that he did the work. The time when Senator Osmeña was the Speaker of the

House of Representatives and before there were two houses, after and during the discussion by the house of those bills, he had a hand in the preparation of all of them. If the house had succeeded in amending a certain bill, he still had his last chance as Chairman of the Committee on Style. He went over ~~all~~ bills passed by the house and he would not let any bill go by until he had fixed it. And he went further than that. Even if after the bill had been approved, if there was any thing wrong which had to be corrected, he still had a chance to change it. (Laughter.) It is a credit to Senator Osmeña because he held a tremendous power without authority of law, constitutional or anything, but this is due to his patience of going over all those bills which he had personally attended to. Well, I never did

that for these two reasons: In the first place, my mind has never ^{been} good at details; details just give me dizziness; ¹second, I never had the nerve to tell the truth of revising all those measures that had already passed the house. And the third reason is that as long as senators exercised that power and the members of the House knew I did not have the nerve to go over those bills, there was nobody who actually took the patience but Senator Osmeña, because they knew that there was a man who was always alert, vigilant, that took upon himself the responsibility of going over these bills. Every Chairman of the Committee liked to take charge of

the bill, every one of them. At one time we passed a law and after the conference had with the Committee on Style, nobody could understand how the law was amended. Now, gentlemen, I expect those fellows in the Assembly will continue in their work, for everybody is working. I want to say something in favor of these people. These fellows are doing a good job. They are taking seriously their work; they are not wasting their time. They do fine work. I am pleased with the members of the Assembly. They are not trying to pass the buck on to me. They come sometimes to ask me what I think of a certain bill, and even those bills that they know will make them popular which they want to pass. This morning a member of the Assembly came to me and asked me what I thought of a certain bill they intended to pass. I said, "I want to tell you it is a shame the way you fellows are taking your work; you act as the ones responsible for your municipalities, for your district, but you don't realize that you do not represent your municipalities alone, but the country at large; you are not responsible for the finances of your municipality; you are responsible for the finances of the National Government, and your particular and more important duty is to safeguard the finances of the National Government and yet, here as between the National Government and the municipalities, you are in favor of the National Government's spending money for the municipalities and not in favor of making municipalities give their share. That is the

greatest danger in our legislation that you fellows do not realize; here your responsibilities lie. You are not called upon to administer the affairs of your municipalities, but of the affairs of your great nation."

And I am pleased to say that they are reacting favorably. Now, I am sure that in the future there will be no candidate for the Assembly that will appear before the electorate with the promise that if he is going to be elected, he is going to pass a legislation relieving his district from the payment of land tax or relieving from the payment of cedula tax or tax due from irrigation system. None of them will ever do anything of the kind, and I won't commit myself and promise its approval, for if they do, I will veto every one of them. So the people are just thinking-they know ^{for them} ~~their~~ time has come to pay their obligations to the government.

You ought to know the way the people in the provinces react to this bitter truth. They are learning the truth-and instead of being disgusted or resentful, they open their eyes, at first with an expression of disgust in their face^s, then when I proceed to explain, they begin to smile and they even applaud. It is good that our people have the real spirit and that it is only a question of making them understand where their duty lies. Any more question?

He
RE-PENSION SYSTEM

THE PRESS. Mr. President, what is your plan for

abolishing the pension system?

THE PRESIDENT. Yes, I want to say something about that. So far, the one definite thing we have to do is to stop the payment of these pensions, but we have to stop it in such a way that those who have been contributing to these funds will receive the refund of the ~~the~~ money they contributed, plus interest. In other words, those ^{entitled} under obligation to receive what has been paid as money they have deposited in the postal savings bank will be given back their money with interest. We have to stop the payment of these pension funds because all these pension funds are already in the state of bankruptcy. The teachers pension fund, is in a better condition, comparatively better than the others. The teachers' pension fund will still pay to those that are actually now in the pension list and those that will have the right to receive the privileges of the pension act for the next five or six years. There is sufficient money in the teachers' pension fund to continue paying for the next five or six years, but after that the obligations incurred by the government of the Commonwealth to those who have acquired the right would be such that it would be impossible for the government to pay without the government getting into bankruptcy. So we have to stop those pensions for the protection of the employees of the government. The teachers who are now paying their contribution to the pension fund, for their protection,

should be told to stop paying because the day will come when these poor employees that are now paying their contribution to the pension fund will not receive a cent of what they have deposited. They will not be able to recover their contribution, and this is the reason why it is impossible for the government to return the money. My idea is to let those officials of the government decide whether they want a pension system or not. If they do, we have to adapt a pension system, that is sure to meet its obligations. My objection will be different. Instead of establishing a pension system I would require all the employees of the government to pay a certain percentage of their salary to the treasury and the government to contribute an equal amount, and a man who has been in the service for many years, and is entitled to retire, is reimbursed for money he has contributed plus what the government has contributed, and no more. The government is going to pay that money. Now, if an employee is separated from the service, the money which he has contributed will be given back to him but the contribution of the government no, because the contribution of the government is given only in case his services are satisfactory and is given to him in recognition of his service. Should he leave the service at his own request, before he has a right to leave the service, then he will have the money which he has contributed, and the contribution of the government will depend on whether his services can be dispensed with or not.

If the government still needs his service, he just gets his contribution. I think if they do that, it will give employees of the government an assurance that they will get something when they finish working for the government. That will be the provision when we adopt the system. I will study the matter thoroughly before giving it my approval. This provision that I have explained has been adopted by the University of the Philippines and the results have been satisfactory. (I want to have the support of the newspapers here in this question of pension) because this is a very serious matter, and unless we take that step to remedy the situation, the government of the Philippines will be in a very serious trouble, or these poor employees of the government will be left in the air when the time for their pension comes. There is a movement on the part of teachers for the continuance of the system. (I think) I would not want to say positively, but on the part of some who are receiving pensions to get the teachers to protest against any change in the laws is wrong. When I visited one of the municipalities of Iloilo, a committee of three nice-looking girls each with a bouquet in her hands, came to me and presented their flowers, and at the same time handed me a resolution adopted by the teachers of the municipality protesting against any change in the pension. I consider the occasion so serious so I told them this; "I want you to know that I have smelled something which, in the future will

be against you. I do not wish to incur your displeasure during my administration. The pension fund of the teachers is sufficient to pay its obligation to those that are now receiving pension and those that may retire during my administration and that, therefore, as far as my administration is concerned, this question of pension is not going to be affected, but I know that if I will continue paying your contribution and if I continue paying these pensions, the day will come when every cent will be gone. I do not want to shoulder the grave responsibility of not having told you the situation for I do not want to feel that I have been instrumental in extracting that money from you. Now, it is for you to decide--- if you want to continue making that campaign among the members of the National Assembly to prevent the enactment of a law that will save the situation, that will be your responsibility. I am not going, however, to call the attention of the Assembly if the Assembly does not act on this matter. If you keep on exercising your influence over the Assembly, it will not be my responsibility."

Yes, here is an organization that is trying to influence those poor teachers so that they may protest against it and then organize a movement and start by citing a certain section of the Constitution that the system of the government of the Commonwealth will assume the obligation of the government. I asked that *for*

an opportunity

I wanted to talk to the teachers, and after I had explained ^{*the point*} to them, I was satisfied because those teachers, the minute they found out the truth, agreed ^{*that*} I was right. But there is a great movement in the City against the suspension of the Pension System. I am going to ask the Superintendent of City Schools for a conference with the teachers of the City Schools, and if they do not want to believe it, I am not going to fight every member of the Assembly. The school teachers are supposedly intelligent people; if they still insist upon it and they make campaign against it, as far as the Philippine government is concerned, when they day comes, and the government can no longer pay these teachers, I shall simply say: "Ladies and gentlemen, good-bye, we have no more money." No government is going to wreck the country because of these pensions.

You know the pension of the Philippine Government is appropriating so much money. The trouble is this. I will tell you the truth. This is not for publication. The Assembly has been cajoled to pass this pension bill on absolute misrepresentation. I still remember old Gen. Crame when, for the first time, the Assembly found that there was not sufficient money. Now, I realize that the amount of P150,000, or Gen. Crame at least thought, ^{*was*} is all we ^{*had*} have to appropriate. If you appropriated that much, it ^{*was*} is all right, the pension ^{*would*} will be all right at that time, either because there ^{*was*} is nobody who knew anything about the pension or they did not care to take the trouble of

doing the simple mathematical calculation. They simply accepted those statements and so far what we have appropriated for pension of the Army is not so big, and the government can stand. But we can not go on with this matter because if and when the Army is increased, and will have a large force, we are going to meet the same situation that we might have in regard to the teachers. In the case of teachers, they have more money, in fact they have still about 20 million pesos, but the responsibility of the government is greater because there is a big army of teachers. But, of course, in the case of the Army, there is this thing to bear in mind. I think that every government, even the United States, does not pension anybody, not only the army, but everybody who has any claim of any sort, that is any one who has been for some time a member of the Army.

THE PRESS. Do they have to do something with the present law?

THE PRESIDENT. I am not in a position to answer your question for this reason. In the first place, I can not speak of a particular public servant because we have not a general pension system in the Philippines. In other words, officials and employees of the government in general have never had pensions. There are three pensions and you might say, four; teachers, health officers, Constabulary forces, and judges, in the form of a gratuity. So in the first place, I can not commit a government to a general

policy of pension for all public servants of the Philippine government until the Assembly has approved one.

But if we could devise a general system of pension for

all employees of the Philippine government that is bearable

can bear
ble by the government. I would rather have a general pension for all employees of the government. There is no reason

why there should be discrimination, why certain employees will have pension and the others will have none. Whether

we can adequately afford to give a pension system for the employees that will, of course, place a burden upon the

government of the Philippine Islands,---that the govern-

ment can not bear---, is something which I am not prepared to say. But as for those who have received their pensions--

my present attitude toward them---, since the pension sys-

tem that has been established for these people, if you

take into consideration the terms of the law, that the

pension law was passed upon the theory that the person

who is to receive the pension will do two things: one is

to render a satisfactory service, another to contribute

to that pension fund for at least 20 years at the end

of which he is entitled to retire and to receive pension.

Hence the government obliges itself to contribute an

equal amount. Now, I say this: Every man who retires from

the government service and complies with all the terms

of that pension system, *will get a pension -- and* the government ought not to wash

its hand^s entirely, but on the contrary see to it that

something is done because there is an acquired right

based upon the fulfilment, on the part of the employees

of all the requirements of the law. But there are cases where although the law has been amended sufficiently to permit employees to retire and receive pension, there are cases, however, where these people who have been pensioned have not complied with the requirements of the law and, therefore, they are in the same position as the other employees of the government who have not been pensioned, and I take it that they are not entitled to anything because they have no real moral right to that pension. For instance, a superintendent of schools who retires after serving the government for two years upon the ground that he had served 18 years and had contributed to the fund for two years, the portion of his salary that he was expected to contribute in 7 years and the pension he receives for one year is more than what he has contributed for two years. Now, we have been paying that fellow for nine years and during those nine years he has received a hundred times. Considering the little which he has contributed, is the government still morally obligated to pay him? In this case, I will simply say that in the case of those who have partly complied with the requirements of the law for a certain number of years and have not received what they have contributed, again in that case, I am going to give the money, but to those who have complied, we can just say "finish"^{ed} because we have no money. The government ought to make its explanation and the government is in a position in this parti-

cular case to go on, but those who have received the pension from the government are looking for outside jobs. I think you can say this for me that we are not going to pass a law that will place the government in a position of having entirely ignored its obligations toward the officials of the government who have acquired rights under the system that we have established. and thank you, gentlemen.

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*Confidential
file*

CONFERENCE WITH MEMBERS
OF THE NATIONAL ASSEMBLY

SEPTEMBER 26, 1936
10:55 A. M.

MR. OSIAS. Mr. Speaker, may I have the floor, with the consent of the President?

THE SPEAKER. Si, señor.

MR. OSIAS. I just wish to inform His Excellency that I was not present when the resolution was approved, nor did I take part in the discussion, but merely heard certain observations from our recognized leader. As a humble member of the National Assembly, I should like to say, knowing as I very well do know of my own colleagues, this isolated case did not in any way reflect the views of the Assembly, either collectively or individually, with respect to their attitude ^{toward} to the Chief Executive. I realize the seriousness of the question and how fundamental it is, and that is one reason why I should like to say, to state in this juncture, because I myself may have occasion to propose amendments that will affect certain offices and public functionaries. But what I should like to say before my colleagues and before the President is that when I do so, I do not do it with a view to present a challenge to the Executive and I do not give anybody else or any of the Assembly

THE PRESIDENT. I should like the members of the National Assembly to understand that in this particular case, I consider that an attack upon the prerogatives of the Chief

Executive, because the proposed amendment was to suppress the appropriation for the Director of Posts, not based upon any theory, that the position was unnecessary, that the economy accomplished, if the amendment is passed, is in the interest of public service. It was based upon a statement publicly made that the suppression of the appropriation was in order to punish an executive officer of this government for some alleged discourtesy to the members of the Assembly. So I just want to say this to the Assemblyman of La Union (Mr. Osias), or to any member of the Assembly, so that they will not have the idea that any amendment, even the suppression of the position, that I will consider as acts against the prerogatives of the Chief Executive.

MR. OSIAS. I want to state that I am happy for no other reason than to hear such statement from the President, that I would like to continue in our labors in the confident belief that when I go after a certain item in the budget or after a certain person in this government, it is not with the intention of personally or officially offending the Chief Executive, nor is it for the purpose of challenging the prerogatives with which the President is constitutionally clothed. I rose because I have clearly understood, that in both branches of the government that when any member or group of members of the National Assembly seek to discuss certain actions that may affect a member of the executive branch of the government or even a member of the executive family of the President, that it is done

in the interest of the whole, of which the National Assembly is a part. I think, Mr. Speaker, every Assemblyman feels a joint responsibility with the President in the success of this joint enterprise. It is a common responsibility and common obligation before the country and before the world, but I do not like to have it understood that the manifestations of the President mean that an executive official hereafter is going to wear a sort of placard upon his person, a sort of "Noli Me Tangere." I think the President is entitled to call the attention of any member of the Assembly to the spirit of true coalition,--if he be in error--and I doubt that that is the case with our colleagues here who voted in favor of the resolution when they acted as they did.

THE PRESIDENT. What do you mean when you said that the members of the National Assembly voted as they did, gentlemen from La Union?

MR. OSIAS. I said "voted as they did," Mr. President, because there was not the slightest thought in the whole discussion, even in the highest heat of its discussion. While I was there and while it was agreed at a caucus that they were not taking a step that was in any way offensive to the Chief Executive, it is precisely of our confidence in him that a member of the committee was appointed that this sentiment may be brought to your attention.

THE PRESIDENT. Mr. Speaker, if the gentleman from La Union will permit (Mr. Osias), the procedure itself is already

an attack on the prerogatives of the Chief Executive because while the Assembly is authorized and any member of the Assembly is perfectly authorized-under the law and the Constitution-to propose amendments to the Appropriation Bill, to strike out any item of the appropriation when the reason for that is the desire of the Assembly to demand from the Chief Executive that a certain official of the government be removed from office, the Assembly is not exercising constitutional precaution and the mere fact that the amendment created for the appointment of a committee to tell the Chief Executive the wishes of the Assembly already proved the fallacy of the amendment, because it was an amendment intended through an unconstitutional procedure to remove an official of the Executive Department of the government from his office, because I was going to be asked that Ruiz be removed or be punished. If the Assembly has some complaint against a certain official of the government,--I just want to say that every time an amendment is presented to suppress a position or to reduce an appropriation, not from the point of view of economy but of punishing an official of the government, or proposing that his position be abolished, I will consider that an unconstitutional way of doing it.

MR. OSIAS. Mr. President, the very fact that that action was not taken in a formal session of the Assembly but it was taken in a manner, let us say, with the family circle, is proof positive that the members of the Assembly were animated

by no other than by the spirit of cooperation and in the consciousness that they are bearing with the Chief Executive.

THE PRESIDENT. My answer, Mr. Speaker, in this is, if that amendment has not been presented on the floor of the house; if the reasons for the amendment were not published as agreed in a caucus held on the floor of the Assembly and a committee was appointed to see me, I would have looked this matter from a different angle. And even if the amendment was presented before in a caucus, or if the amendment had been withdrawn so that the question had been brought to me either independently or as the official action of the Assembly, I might have viewed it from another point of view. But bearing in mind the amendment was presented for the suppression of that item and before a vote was taken and while the amendment was pending, a resolution was adopted asking me to remove Director Ruiz, how ^{else} can I interpret that resolution except that if I do not remove Director Ruiz, the position would be abolished in the appropriation? That involves a threat; that is the only way I interpret that.

MR. OSIAS. Mr. Speaker, if I may be allowed to proceed further, I think if the matter is looked at from one point of view and from the different angle of those in the Assembly, may it not be interpreted that the steps taken was somewhat akin to the fact that every time that the President or a member of his family as permitted by the Constitution could come to the Assembly or before a caucus, I trust

that it is the same spirit that the delegation from the Assembly and their family may be received. It happened so suddenly--perhaps we did not adopt the right procedure--, but the fact that we went immediately in executive session following the suspension of a formal session of the Assembly is, in itself, self-evident that the members thereof saw the gravity of the situation and, therefore, they preferred to talk the matter over among themselves, not when the Assembly was in session, but in caucus, when the Assembly was not in a formal session.

Now, to conclude, Mr. Speaker, may I say, although I have not been the object of discourtesy on my part as a member, but for the sake of strict policy of the government, the time has come when together we must be doing something to uphold the dignity and the prestige of the members of the Assembly. These things come in succession with what the papers publicized, either wrongly or rightly, of the occurrence in Baguio--all this if they are permitted to continue, can not but result in undermining the confidence of the people in the functionaries of the government and the institutions of the government. I plead, Mr. Speaker, that the President do not interpret this act of ours as a challenge to him personally or to his prerogatives as our chosen Leader, and I plead further that he make common cause with the members of the Assembly in their desire to see that in this unicameral system which is in the nature of experimen-

tation in this country, merit the credit and the confidence of the public beginning with the members of the official family of the President.

MR. CONFESOR. Mr. Speaker, may I be allowed to make some explanation on this matter?

THE SPEAKER. The gentleman from Iloilo (Mr. Confesor) has the floor.

MR. CONFESOR. Mr. Speaker, I would just like to have the status of the caucus explained with the officials of the Assembly when they held that caucus, that is, in relation with certain matters which affect the individual member of the Assembly and the Chief Executive as the Leader of the Party. In other words, if we passed a resolution in a caucus, what is the status of that resolution? Could a caucus, for example, pass any resolution which is not formal, of course, no official standing, it is not even made a matter of record, could it be taken by the Chief Executive as an official act of the Assembly itself so that in the future, Mr. President, we would guide our action as to your attitude towards the caucus which the members of the Assembly may hold from time to time?

THE PRESIDENT. Is that your question?

MR. CONFESOR. Yes, sir.

THE PRESIDENT. Gentlemen, I am going to answer the Assemblyman from Iloilo (Mr. Confesor), but after I have answered that question, I am going to take my leave because I have not come here to enter into any discussion with any-

body. I have come plainly to inform you of my stand on this question and to tell you that my stand is such that, bearing in mind all the fateful consequences of a breach between the Assembly and the Chief Executive, I shall not move an inch from that stand. I have carefully considered everything I have said here, I have studied this question thoroughly, I have placed in my hands my conscience and the oath of office that I have taken and, nothing, nothing can make me change the stand that I have already expressed to you. Now, I am going to answer your question.

I prefer not to discuss any further question because, gentlemen, you are going to confuse the terms of the subject at issue, and when the terms of the subject at issue are confused, the discussion is interminable. The best answer that I could give is the attitude you had taken with reference to that caucus--when you held your caucus about your pork barrel. The Chairman on public works came to see me; I had not considered that as an offense; I did not consider that as an attack upon my prerogatives to initiate the budget. Anything that you might do here is perfectly right and legal. The action of the caucus was not official, of course, but in this particular case, the action of the caucus is intimately connected with an act which has taken place upon the floor of the National Assembly, and I can not look upon the action of the caucus except as an act of the Assembly itself. It is not necessary to clarify further what I have said and as

for the courtesies that are due the member of the Assembly. Why, my goodness! No one of you has taken as much at heart the credit, the reputation, and the good name of this nation more than I have done myself, when secretly or openly I have always upheld the dignity and integrity of this Assembly.

As I have just told you a little while ago, in my conference with the members of the cabinet, chiefs and assistant chiefs of bureaus, I instructed them to give the members of the Assembly due respect and consideration. I cited the case of Assemblyman Rama who received from me immediate attention when I got his telegram complaining against a provincial treasurer for disobeying his order. I sent a telegram to said treasurer, asking him to explain why he did not answer the call of Assemblyman Rama. The answer I received was satisfactory, which I transmitted it to Assemblyman Rama; but instead of thanking me, Assemblyman Rama insulted me in his telegram. He said, "That is all right if you are satisfied with liars, I am not." My God! that was stated in a telegram which ^{all} the whole employees of the government of Cebu must have read--the kind of telegram addressed to the President! That is terrible, because instead of thanking me for giving him my immediate attention, instead of recognizing and appreciating the immediate action that I had taken on the alleged discourtesy, for I was in

Iloilo when I received that telegram, I told Secretary Vargas to write to Assemblyman Rama explaining to him why the explanation of the provincial treasurer of Cebu was satisfactory. Of course, later on, he ^{admitted} recognizes that he made a mistake. I know Assemblyman Rama did not intend to insult me because that insult, he thought, is not intended for my office, but it is kept on record just the same in my office.

Now, I have no objections to your coming to me if you fellows have something to ask me. You can ask whatever you want. I have suggested that you can come to me whenever you have some complaint to make, but I just want to tell you that you have no right to act that way for the purpose of asking for the removal of any official of the government ; even in a caucus you ought not to do it. If you find among yourselves that there is an official of the government who is not satisfied with the majority of the members of the Assembly, and I am not speaking of the majority party, let the Speaker or the Floor Leader come to me. If the members of the Assembly are not satisfied with a certain official, just bring the matter officially, and I will order the investigation. Of course, we will have to abide by the result of the investigation. I will not object to ordering an investigation of Ruiz, but don't take action on the floor of the Assembly and hold caucus for the

purpose of removing from office a certain official. I told De la Paz yesterday to tell these men to come to me if they have some complaint against Ruiz. Now Emilio ...

MR. CONFESOR. I should like to find out ...

MR. DE LA PAZ. The first thing I did on arriving at the session was to tell the floor leader that there had been a conversation between Your Excellency and myself, and the floor leader communicated this to the other Members. For Your Excellency's information, the reason why that amendment was neither passed nor rejected was that I, though I was then unworthily presiding at the session of the Assembly, believed that said amendment, if put to a vote, would be passed, and having received Your Excellency's admonition, I found it necessary to suspend the session.

THE PRESIDENT. I do not believe there is any further need of my staying and I am ready to leave, because I might, to a certain extent, curtail the liberty of the Members of the Assembly, hence I believe it will be best if I leave.

MR. CONFESOR. We would like to have Your Excellency enlighten us as to the best manner...

THE PRESIDENT. I have already said all I have to say.

MR. CONFESOR. As the Assembly had not the least intention of raising an issue with the President, why is the President leaving us now?

THE PRESIDENT. In order that you may discuss this matter.

MR. CONFESOR. Being among ourselves here, let us

us deal with this matter among ourselves. As the President has gone to the trouble, which is quite a condescension, to come here, why should he not enlighten us as to the best manner of straightening out this matter without obstructing the working of the government? We do not want him to leave here with this issue undecided. We know that the President has solved many more difficult problems. Why should he not solve this problem now?

MR. HERNANDEZ. We would like to take advantage of the presence of the President. I believe the matter has come to a stage where we must take some definite action. I want to say here, and repeat what the colleagues have just said, that there has not been any intention of attacking the President. Our intention was to take some action against the Director of Posts, Ruiz, and we never thought that that attack could possibly reflect upon our Executive.

I did not attend yesterday's session; but I can say that I have, with many of our colleagues, been opposed to Mr. Ruiz, solely from esprit de corps. If I had been here when the movement against Director Ruiz was being hatched, I would have suggested the introduction of a resolution against Mr. Ruiz instead of eliminating the salary of the Director of Posts. However, I believe that in view of the lack of time, and as we were passing the Budget page by page, our colleagues had not time enough to proceed in accordance with that proposition.

Now, I say this: as our intention in taking yesterday's

action was merely to obtain justice for what we considered unjust treatment by Director Ruiz, I would propose to my colleagues here, in the presence of the President, the withdrawal of the amendment so far as it refers to the elimination of the salary of the Director of Posts, and if the President believes that the resolution, as drafted and adopted in the caucus yesterday, is not proper, we can also amend it. If the President is ready to hear and receive our complaints, if you believe that we must file a formal complaint against Director Ruiz, let us do it.

THE PRESIDENT. If I am to accept the statements of Members Confesor and Hernaez as voicing the sense of all the members of the Assembly, that there has not been the slightest intention... (Several voices: never!) I want to tell you this: the worst of it is that you have placed me in an embarrassing situation, because people will think that anything that I may do now is camouflage and that I have compromised with you in the sense that the amendment will be withdrawn now, and I shall remove Ruiz later. If Member Hernaez or any other, is ready to file an official complaint, I shall order an investigation. That changes the aspect of the matter. What has been done was an act of thoughtlessness. If those who were complaining against Mr. Ruiz had come to speak to me, as I told De la Paz, I would have demanded Ruiz' resignation without the need of any investigation, because in the case of a Director it is not necessary

not necessary that there be charges: my not being satisfied with him or having lost confidence in him is sufficient cause for me to demand his resignation. He is not a civil official who cannot be removed without due investigation. In the case of a director, if I believe that he has ceased being useful to the Government and the entire Assembly is against him, his usefulness is gone. It is not a question of competency or incompetency, honesty or dishonesty. A director of a bureau who has incurred the antagonism of the entire Assembly has ceased being useful to the Government, and I will not sacrifice the Government for any man. I would have sent for Ruiz without making much noise about it and would have told him to tender his resignation. But as things are now, that can no longer be done. You will have to make the complaint, and I shall decide in accordance with the result of the investigation. I shall have to act as judge, and you must not feel aggrieved if I judge the question on its merits.

There would not have been any necessity for this if the amendment had not been introduced. I told De la Paz so confidentially. I said to him: "I am glad of this, old fellow, because I am tired of Ruiz; he is a worthless fellow," and I also told him not to bring up the matter on the floor because I should then have to support Ruiz. As I had said I was ready to ask Ruiz for his resignation, your insisting upon bringing the matter up on the floor

could be interpreted only one way: I had to feel offended and had to consider your attitude as an imposition.

MR. VERA. I did not arrive in time to hear the explanations. It seems that Mr. Hernaez and others have said that there was no intention of creating an issue with the President. As it was I who made the motion, I wish to reiterate what my colleagues have said, that we had not such intention. On the contrary, we made it appear clearly in last night's discussion that we did not want to have any issue with the President and that we merely desired to transmit to the President the ^{sensitment} sense of the Assembly.

MR. HERNAEZ. The matter having been explained, I make a motion in the sense that the amendment abolishing the salary of the Director of Posts be withdrawn and that the resolution adopted yesterday in the caucus meeting be withdrawn; but that a resolution be adopted to the effect that the proper charges be preferred against Mr. Ruiz.

MR. LAVIDES. In the name of my colleagues I shall say two or three words. I fully agree with what Mr. Hernaez has said. I also want to make public the fact that I have no personal complaint against Mr. Ruiz. I have said so on the floor of the Assembly. When I was chosen to state the reasons for the amendment, I stated them frankly. I said to my colleagues: "You have gotten me into this, and I am going to see it through."

All that was done yesterday was really not against

the Executive nor against the Executive Department. I merely wished to reflect the general sentiment of the members of the Assembly against Mr. Ruiz' official acts. Personally, Mr. Ruiz has been my friend for the last 25 years; and when I acted yesterday, I did not act as Lavidés, but as the colleague of the Members of the Assembly.

I shall concur in all that may be decided here. If my colleagues desire to proceed in one way or another, it is up to them to decide it. All I did was to state what they wanted me to state.

MR. YARANON. Just a word, Mr. Speaker. I just want to say here that I did not have the least intention to make issues with the Chief Executive in including myself as one of the co-authors of that amendment.

THE SPEAKER. Is there any objection to the adoption of the motion of Member Hernáez? (Silence). The Chair does not hear any. Adopted.

MR. REVILLES. Mr. Speaker, let me say this: I have not the least intention of offending the Chief Executive. In fact, I am one of the co-authors of the amendment to suppress the item for the Director of Posts. One of the principal reasons is that not because I have been informed that Director Ruiz is discourteous to the members of the National Assembly, but one of the important reasons is that according to the information we received, that His

Excellency has stated that Mr. Ruiz is not doing the work of the Director of Posts, but it is the assistant director. It was also our belief, Mr. President, that in making that amendment, we do not have the least intention of making issues with the Chief Executive.

THE PRESIDENT. That is not true. I do not even know the assistant director of Posts. (President continued his speech in Spanish)

THE PRESIDENT. In view of what Assemblyman Revillas has just said, I wish to state my opinion of Ruiz. I do not believe that Mr. Ruiz is not doing the work and that the assistant director is doing all the work for him, because if I had believed that I should have made him resign. If I had believed that Ruiz was not doing the work and that he was incompetent, I should have done my duty, removing him from office.

The reason why I told De la Paz that I was tired of Ruiz and that I was glad that a complaint had been made against him was that I had heard rumors to the effect that the people were not satisfied with him. But nobody has come. I am tired of hearing that gossip and I was hoping that somebody would complain to me, especially in a country where there is more gossip than certainty. Here gossip brands the purest woman as being the impurest, and there is no means of convincing the people. Hence, when De la Paz

spoke to me about Ruiz, I told him I was glad because I was tired of Ruiz. I do not care to have a bureau chief who causes me annoyance.

(The caucus meeting adjourned at 12 m.)

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*Confidential
Bill*

PRESS CONFERENCE NOTES

OCTOBER 2, 1936

THE PRESIDENT. Good afternoon, gentlemen. Please be seated. Well, it seems to me that the afternoon conferences are less popular than those held in the morning. Now, is there anything you wish to know about?

(RE-) PREVENTION OF CRUELTY TO ANIMALS

THE PRESS. Mr. President, may I know your attitude toward the bill now before the Assembly amending certain provisions of the law regarding prevention of cruelty to animals?

THE PRESIDENT. I am for it. However, there is something in the present amendment which I do not approve of, and I told Dr. Buencamino this morning to express his opinion on the bill now before the Assembly. I have not read the amendment and, really, I do not know what will be my attitude,--but I know that there is something in the present legislation which I do not approve of. I consider it wrong fundamentally, and that is the provisions which permit^s the Society for the Prevention of Cruelty to Animals to appoint agents who are given the power to arrest the alleged breakers of the law against cruelty to animals, and who are paid out of the funds that are accumulated from the fines imposed.

THE PRESS. We understand, Mr. President, that one-half of the funds thus collected goes to the Society

and the other half stays in the Treasury.

The President. But they are paid from the funds of the Society so these people can not be accepted as enforcing the laws in the fulfilment of their duty, but there is only one ground in order to get sufficient money for the Society to pay their ~~salary~~ ^{agents}. If they need agents, these agents should be paid by the government. If the government is interested in enforcing the law, the government ought to pay these agents and the government ought to appoint them. The minute that they have the powers to execute the law, they are agents of the government and, therefore, should be appointed by the government. I do not approve of the bill now before the Assembly; I do not know ^o how it works. We have the case of the Public Service Commission which is similar to this. The practice allowed by the Public Service Commission is to have the big corporations pay the salaries of the agents of these big corporations, and they themselves appoint these agents. Well, naturally, they were all anxious to see to it that these corporations comply with the orders or regulations of the Public Service Commission and they are hard against those who do not belong to the corporations. The government wants to enforce its laws so those agents should be appointed and paid by the government. I realize that in the Philippines unlike some countries in Europe, we need a law that will protect the animals from cruelty.

It is a shame the way we are treating our animals and *it is a shame that we must*
~~it is only necessary for us to adopt these laws so as to~~
teach our people to *be kind to* ~~give our animals better treatment.~~
You will notice that in most advanced countries of the world, they treat their animals better.

THE PRESS. Mr. President, the bill provides two ways with which to enforce the law. The first is that which imposes punishment on those responsible for the violation of ^{the} law or for the prevention of cruelty to animals. At the present time, a prosecution may be brought, either against the driver of the vehicle or the owner. The amendment that is being proposed will absolve the owner from any responsibility of being prosecuted.

THE PRESIDENT. What is the other?

THE PRESS. The other is by prohibiting the agents from making arrests.

THE PRESIDENT. Well, I am in favor of not letting the agents make arrests. I think they are to be appointed by the Department of Justice because if cruelty to animals is a criminal act, the Department of Justice ought to appoint the agents and ought to see to it that the laws are complied with, but I do not believe in giving to any private society responsibility for enforcing the laws. That is fundamentally wrong.

THE PRESS. Will your office, Mr. President, initiate for the purpose of appointing those agents?

THE PRESIDENT. If the matter had been brought to

my attention, I would have done that. I will discuss the matter with the Secretary of Justice tomorrow. I think the movement to practically do away with the Society has been started by some people who want all kinds of privileges to be given to the carromata owners. I want to be very frank in this. I sympathize with the owner of a carromata; I sympathize with the cochero. The owner of a carromata who belongs to the middle class people, has no capital and the cochero, of course, is a man who needs that job, but I am disgusted with the way the animals have been treated. And I want to do as much as I can in order to protect the carromata owners in their livelihood and the cocheros, too, but I am not going to permit ^{the enactment of} ~~it that~~ any law ^{that} ~~enacted which~~ will tolerate cruelty to animals. My position there is fixed. We can have the effect of the laws corrected at the session. When you have a law, a fundamental enactment, it is open to attack and those who are against the law will choose to take advantage of any occasion to attack it. I think that is happening now.

THE PRESS. It is possible, Mr. President, that some politicians may get into it if the Municipal Board is the one to appoint agents.

THE PRESIDENT. What do you mean?

THE PRESS. That politicians, Mr. President, may have a hand in the appointment of agents.

THE PRESIDENT. You don't suppose that I appoint fiscals. (Silence.) They will either be appointed by the Mayor or by the Secretary of Justice. I think they are appointed by the Secretary of Justice. How is the Society being operated?

THE PRESS. Through private contributions and memberships.

THE PRESIDENT. Don't publish this. The first time that I knew of the existence of this Society is through Mrs. _____. She was very strong for the enforcement of this law. By Gosh! she never left until she got something from me. I am not going to let those fellows destroy that organization, but I am going to correct the law. You know the law has been a political issue here in Manila.

One of the bills submitted is by Assemblyman Perfecto of Manila, The other is ...

That is terrible. As a matter of fact, they ought to punish the cocheros.

The Press. They punish the cocheros, Mr. President, for any violence of the law--for tying the horse in bad condition, they are fined and if the cocheros can not pay the fine, they are imprisoned. The carromata owner is not responsible if the cocheros can not pay the fine.

As is the case now, if the horse happens to be wounded in the street and the cochero still continues taking passengers, I understand that he should be

punished, but if the horse that is not in a condition to do the work, is still sent out by the owner, I think the only person responsible, when that horse is caught in bad condition, is the owner. He ought to be punished because of his cruelty. There is no excuse for that. You may still understand that some of these cocheros do not have much education and, of course, they do not treat the animals kindly, and the moment the horse refuses to obey, the cochero gives the animal a good whipping. That is terrible, but I think it is the owner of the horse that should be punished, not only by fine but by imprisonment.

THE PRESS. In the month of September 316 horses were caught by the agents of the Society. Under the amendment proposed, Mr. President, only the driver would be responsible.

THE PRESIDENT. Well, if we do not correct the law this year, it will be worse.

RE-- JAPANESE SETTLERS IN DAVAO

The Press THE PRESS. Mr. President, is there any truth as to some Japanese being allowed to settle in Davao?

THE PRESIDENT. No, there is only one case from the Consulate General of Japan. I do not know if it is to be published by the Consul of Japan. Just say there is only one case of Japanese.

THE PRESS. Mr. President, under the law, is there any provision prohibiting the Japanese to settle there? }

THE PRESIDENT. I will tell you confidentially. This is not for publication. We tried to prevent this case, upon the ground that while he was an American citizen, under the laws of Japan he was still a Japanese subject, so we tried to prevent him from settling there, but to my surprise a fellow came here with a certificate of citizenship showing that he is no longer a Japanese subject. When that came we simply had to take him in.

THE PRESS. Will the Japanese Government agree with him, Mr. President? (Laughter.)

THE PRESIDENT. That is a very serious question because they can just present a certificate of citizenship. This is how the Japanese in Hawaii got hold of gold mines, fisheries, etc.

THE PRESS. Is there any great deal of interest shown by Japan in Philippine mines, Mr. President?

THE PRESIDENT. I suppose there is. Now, don't let me have things appear in print. But if any one wants to write in his paper tomorrow, don't let it appear that we have discussed it here to some extent. It is true that there is only one case, and as far as you have been informed, there are no other cases.

~~RE~~ - MR. HERMENIGILDO CRUZ

THE PRESS. What are you going to do with Director Cruz in case his appointment is not acted upon by the Commission on Appointments, Mr. President?

THE PRESIDENT. I have nothing against Director

Cruz; there are no charges presented to me against him. In case Cruz' appointment is not acted upon by the Commission on Appointments, I will have a committee to investigate him. If I am satisfied that there is ground for not reappointing Cruz, I will not appoint him, but if I am not satisfied with the result of the investigation, I will appoint him again.

RE - NATIONALIZATION OF THE POLICE FORCE

THE PRESS. Mr. President, there seems to ^{be} have some objection to the plan of nationalizing the police force. The Municipal Board has expressed against the idea of turning the Municipal Police to the ^{national} government.

THE PRESIDENT. I do not believe that is necessary.

THE PRESS. Would you approve it in case it is passed by the National Assembly?

THE PRESIDENT. I won't commit myself to that because I have not considered that as necessary. But the Police force of Manila is all right, unless the proposed nationalization is absolutely necessary, in order to perfect the organization! But if the Police of Manila will be in the same organization, I do not believe that is necessary because we have competent police and they are Civil Service eligibles. They are good.

RE - ORGANIZING A BUREAU OF MINES

THE PRESS. How about organizing a Bureau of Mines, Mr. President?

THE PRESIDENT. I am not personally very sure of what should be done there. The Department of Agriculture seems to be the proper authority to create that office. I do not want to assume the responsibility of recommending *it* to the Legislature, but if the Legislature creates a Bureau, I will approve the law. I will not recommend it. I am not quite sure that the work can not be handled as it is now--that another division ^{*can*} be created in the Bureau of Science.

THE PRESS. Mr. President, many of the engineers of the Bureau of Science are getting out to go to the mining corporations.

THE PRESIDENT. Well, many of the employees of the government are getting out. I believe there will be a time when there will be only two persons in Malacañan, the President and a messenger. (Laughter.)

THE PRESS. How do you look at the situation, Mr. President?

THE PRESIDENT. ~~That~~ ^{*it*} I like and I do not like it. I like it because I want to see the Filipinos taking their chances in business. I do not like it because as it happens now, we are losing some very good men. But let me tell you that there is not one employee whose services can not be dispensed with for every time an employee leaves the service, we discover some young men in some office who are just as good and who ^{*would never*} ~~will not~~ have any chance if these fellows ^{*had*} ~~were~~ not left. You know, gentlemen, that I have found, with a great deal of satisfaction, that

some of the small employees of the government are really good and they know the work that they are doing. Now, this is the chance for these fellows who are not known outside and the corporations that are trying to get their services, to show that they are going to give a good account of themselves. Nothing is going to happen in this. However, I do not want those fellows who leave the government service to think that they can come back when there is depression outside. Those that are out are out, that is all there is to it. I am not going to take them back once they leave the government service.

THE PRESS. Does your confidence in young men, Mr. President, indicate a policy?

THE PRESIDENT. Absolutely. They are not bringing men from outside. Those that are inside will get the post left vacant by the outgoing employee. We will not take an outsider to jump over the head of the one that is inside.

THE PRESS. But that is not the policy being observed in the Philippine National Bank, Mr. President.

THE PRESIDENT. Well, that is for the Board of Directors to recommend. If I find somebody in the Bank who is competent, I would rather have him get the post than an outsider. If the difference between the one that is in the bank as compared with that of an outsider is little, I would rather have the man inside because it will have a wholesome effect in the whole office, and that is an answer to this charge that we are playing politics.

Some of these companies are under political pressure and when some members of the Assembly are not pleased with a certain company...

~~Well, I am not going to criticize the assembly, but this is true.~~ No employee of this government has the right to say this because no employee of the government should be treated like that. There may be attempts ^{on the part of certain officials,} but I want the officials of the government to treat with due respect the members of the National Assembly ^{However,} ~~by the officials or other branches of the government and the public in general,~~ but the officials of this government are not going to obey any mandate or listen to any request from any quarters contrary to the rules, regulations and laws of the land and any employee of the government who does his ^{work} ~~job~~ well will be retained in his job, regardless of the rules against him.

RE-BABY BONDS

THE PRESS. How about the Veterans' bonds, Mr. President?

THE PRESIDENT. My last cable has not been answered as yet. May be they are paying them already. I have called Washington about it.

RE JUSTICE RECTO'S RESIGNATION

THE PRESS. Mr. President, has Justice Recto's resignation been presented to you?

THE PRESIDENT. Yes, only after he had discussed the matter with me. He did not present his resignation

without first discussing the matter with me. He was ready to continue if I felt he had to do it, but my view on this question is simply this. There are cases when a citizen is in duty bound to render service to the government regardless of whether it is convenient to him or not. Those cases arise when a good citizen ought to stay when the government needs him. But these are exceptional cases and they are under the discretion of the Supreme Court. I do not have the right to keep Justice Recto there at this juncture. I have not received his formal resignation yet, but we have talked the matter over.

THE PRESS. Will there be an immediate appointment to fill the vacancy?

THE PRESIDENT. Yes, the day following the acceptance of his resignation a new member of the Supreme Court will be appointed.

THE PRESS. Is he going to engage in private practice or he will join a mining business?

THE PRESIDENT. I do not know; I have no right to ask him about that inasmuch as he did not volunteer to tell it.

THE PRESS. Mr. President, this giving chances to young men who are already in the service, would that be in line with your desire that wages go up?

THE PRESIDENT. Do you call salaries wages? You know if I were sure that these gold days here would stay, that their high salaries would be continued, I would follow suit. But I am not going to increase the salaries if I have to reduce them next year. I will wait and see. I feel optimistic even if I lose all the employees of the bank and the government. I will still run this government. (Laughter,)

This is not for publication. I am afraid if some of these poor people from the provinces get caught that they have to return to the old system of keeping their money in the bamboo holes. This bill which I have recommended to the Legislature will stop this sort of gambling that's going on. In any event if a bill is passed, we are going to enforce it.

THE PRESS. Mr. President, have you studied all the bills now before the National Assembly?

THE PRESIDENT. No, but I am going tomorrow and commencing tomorrow, up to the day when the Assembly adjourns, I am going to the Legislative building with all the Secretaries of Departments and their technical men to study every important bill that is pending so that as the Assembly considers these bills, there may be consultation between the leaders of the Assembly and the Executive and thus avoiding the enactment of a legislation that has to be vetoed by the Chief Executive

afterwards. Many of these laws are recommended by me, but I have recommended the measures in general terms. I do not know how the Assembly finally drafted these measures. So beginning tomorrow I will spend my office hours, either in the morning or in the afternoon, in the Legislative Building.

Now, is there anything else you want to ask? Well, gentlemen, good-bye and thank you.

Second Copy

PRESS CONFERENCE NOTES

OCTOBER 16, 1936

THE PRESIDENT. Well, gentlemen, I am ready to answer your questions.

APPOINTMENT OF AGENTS FOR THE
SOCIETY FOR THE PREVENTION OF CRUELTY TO ANIMALS

THE PRESS. Mr. President, how about that amendment to the bill of having the government assume the power and responsibility for selecting agents of the Society for the Prevention of Cruelty to Animals?

THE PRESIDENT. Yes, but that came too late. I proposed that they pass a bill amending the present law in the special session. It was too late to do anything there, and the members of the Assembly had no time to consider that, and I did not even know that they had passed the bill. I am going to ask the Assembly to amend the present law so as to provide that the agents be appointed by the government and the fines paid to the government.

THE PRESS. Mr. President, do you contemplate giving all fines direct to the Department of Justice?

THE PRESIDENT. No, we are going to turn the proceeds collected as fines to the Treasury and assume the responsibility of the payment of agents, regardless as to whether there is sufficient money or not.

THE PENSION SYSTEM

THE PRESS. Mr. President, how about this question of

pensions?

THE PRESIDENT. Well, we are going to liquidate all the pension funds, and the liquidation will be done as follows: We will return the contributions paid by the employees of the government who are not entitled to retire yet. We will return what they have paid plus an equal amount which the government assumed to pay into the pension fund and 4 per cent compound interest on the contribution of the employees. We will return it in six years through partial payments. We have not come to any definite conclusion as to the case of those who are receiving the pensions. Probably those who have received many times the amount which they have contributed to the government and who ~~have~~ ^{have} other means of livelihood are not going to receive any pension, if there is no money in the pension fund left after the return to the employees of funds into which they have paid. In case of those that are destitute, probably we will pay them a pension equal to 50 per cent of the pension they are receiving, and those who are receiving ₦15.00 only are going to get it. Now, that is the way we are going to liquidate these pension funds.

Then we are going to establish a new system of insuring the employees. There will be an amount for which they will be insured depending upon the salary that they get and the contribution of the government in an amount equal to which they are going to pay.

THE FLOOD IN NUEVA ECIIJA

Now, as to the recent flood, I was in Nueva Ecija yesterday and went through the worse districts affected and I have not seen any aspect more heartbreaking. It is terrible. I can imagine what a horrible night those people ^{had} have undergone. They told me that the currents came up so suddenly that the people were simply carried away. And there has been loss of lives and of property. The Red Cross, in this kind of flood, ought not to waste much time getting the necessary information as they determine whether a given family is entitled to relief or not, on the theory that a smart fellow, who is not entitled to relief, might be the one benefited. The agencies that are distributing relief from the government ^{do the work} must be done quickly. I am going to ask the Assembly to appropriate P1,000,000 and to give me the authority to disburse that money as, in my opinion, will best serve the purpose of giving relief to these stricken areas. I am going to ask the Secretary of the Interior to get all the information that is necessary so that we may determine in each case when the locality as a whole needs help, either in the form of public works or of reconstructing some schools that have been destroyed, ~~and~~ or in the form of aid to those individual families who have lost everything they had. It is impossible for us to determine just how the relief should be given, and for that reason, I am going to ask the Assembly to authorize me to spend that

opinion, will best help the people in the low areas. Now, I want to tell you, gentlemen, that false economy has been practiced during the last two or three years. The government has been too anxious to have cash in hand, and they have been saving money that should have been spent in the maintenance of these important dikes of the Agno River and the Pampanga and O'donnell River. There should have been spent annually, as it had been done before, the necessary money to keep these dikes in perfect condition, but with the idea of having a large surplus cash, they have not kept up the maintenance of these dikes, as a consequence of which neglect the flood last year ^{cost} ~~caused~~ the people already over ₱10,000,000, and this year the ^{destruction} ~~destruction~~ of these dikes is going to cause more damage than has been actually destroyed in several places. Now it will cost us over ₱1,000,000 ^{to put up these dikes} ₁ when we should have kept them in fine conditions by just spending from fifty to one hundred thousand pesos during these last two years. Those are some of ^{the} ~~those~~ cases where they thought that perhaps there would be no typhoon that would be very bad and took the ^c ~~chances~~ there. It is like a man who takes chances of leaving his revolver at home, and when he feels the necessity of using it, it is beyond his reach.

THE PRESS. How many false death reports have been published on account of these false economy, Mr. President?

THE PRESIDENT. It is hard to tell now. I suppose you gentlemen and the ladies, too, know that two or three

days ago it was reported that one hundred students of the Munoz Agricultural School perished during this flood. But that is terrible. When I saw that news, a terrible news, I could not get in touch with the Munoz Agricultural School, but at the same time I could not explain where they got the report, that in Munoz Agricultural School one hundred students had died. So I just thought that the whole province of Nueva Ecija must have perished in the flood which caused the death of one hundred students.

In Cabanatuan, people are, in a way, to blame because they built houses right in the lowlands, along the river banks, in the old river beds. You see, the river has changed its course these years, and they built houses there. The first thing the Municipal Council did yesterday (September 15, 1936) was to pass an ordinance prohibiting the building of any house. You see they build houses on the old river bed and the houses were so united that when the river rose the houses were simply carried away. And almost all the palay seeds were lost. But the little that remain will be saved.

So we are going to start building these dikes and I shall ask the National Assembly to appropriate ₱500,000 for the construction of these dikes. We can not spend that money until the end of the year, and I will ask the Assembly to authorize me to spend that. The Bureau of Public Works is preparing to build these dikes more strongly than they were built before.

REFORESTATION

THE PRESS. Mr. President, does reforestation have anything to do with flood control?

THE PRESIDENT. That is what Dr. Foster told me this afternoon. You see, we need to appropriate P250,000 and it is my intention to recommend to the Assembly the appropriation of that amount annually for the next two years. I think that one of the most important things that the government should undertake is the reforestation.

THE PRESS. Is the reforestation in Luzon, Mr. President, possible?

THE PRESIDENT. They have not as yet successfully experimented in Luzon, but in Bukidnon, yes. It is better to spend this money to go ahead with the work. And we still need about 200,000 hectares of lands according to the Bureau of Science and the Bureau of Forestry. If we begin to plant right away, in 4 or 6 years we shall be producing all the quinine for home consumption, and if we spend money, we shall be able to export to the United States in six years' time.

THE PRESS. Is it possible to do that, Mr. President?

THE PRESIDENT. Oh, we will. I am going to ask the Assembly to appropriate that. That is one of the best things that Mr. Fischer has done. It is sufficient reason to erect a monument for him in recognition of his services to the Government. That fellow has worked hard during these years,

and it is strange that his work is not recognized. But I do not believe that Mr. Fischer ever had the support of the Government of the Philippines until the first National Assembly was created. It was only then that they began to get the appropriation from the Assembly and it shows how sometimes, personalities defeat the best ideas in a government. It so happened that the ^{old} Secretary of the Interior who was a man with strong emotion, disliked Fischer and Major Ahern did not give his support to Fischer's work, and so not until we had created the first National Assembly when a member was convinced that the Bureau of Forestry ought to be given support. Only then that the Bureau of Forestry began to receive the attention from the government. Fischer was the successor of Major Ahern. Fischer is going to get more support from the Assembly than from any previous legislative ^{body} ~~part~~. He is going ahead with his plan of reforestation, and we will put *it* into effect as rapidly as we can. We are going to do that really in large scale. We are not going to waste time for there are places today like Cebu and some islands around Negros Occidental where we can plant these seedlings. Unless we start now reforesting those places, ^{when the} ~~there are going to be~~ floods, ^{come,} ~~the~~ the lands are going to lose their fertility. ~~that~~ *That* is one of the commitments of my administration, to go ahead with that work.

QUININE

THE PRESS. The exportation of quinine may raise the international question/ because that may

THE PRESIDENT. We are going to ~~protect that and~~ *do the right thing*

~~Well~~. Well, this is not for publication. You know the Dutch stole our hemp here and they planted hemp in Sumatra. You know we have the monopoly of hemp in the Philippines. So those fellows got busy, and now with a truly Christian spirit, we are going to steal their quinine and sugar.

(Laughter) You can not get any information as to how they do the work. I have the suspicion that what those Japanese do in Mindanao is what is being done there, because I think some of those Japanese went to Sumatra and presented as Japanese to work in those plantations. I ought not be surprised if some of those fellows do what is being done in Sumatra. I have no doubt that that is the case, but we have not been able to find it out. However, it is the fault of the government here because we tried to pass a law, prohibiting the exportation of hemp seedlings, but the bill was not approved. Perhaps they had stolen some anyway - but it would be more difficult to go ahead with the work. I think they are doing the work there well and very fast.

As to the International Harvesting Company, well, nobody can fool with that company. My goodness, those fellows are really smart. They just beat the Mexican government. And the Mexican planters were terrible, but the Yucatan defy economic laws. In the case of the Philippines, they always pay

whatever they want to pay. Even at the time that we really had the monopoly, they were able to pay the price of our hemp.

HEMP

THE PRESS. I think, Mr. President, the production of hemp in Sumatra is declining.

THE PRESIDENT. I hope that is true, but we were talking the other day with Mr. Orth. He is one of the best authorities on this hemp business -- and Mr. Orth said that for the next two years, we can still feel perfectly secure, but he did not say how long after that we shall be secure. I suggested certain measures to be adopted by the ^{Assembly} ~~legislature~~ that in his opinion would improve the price of hemp here, and we asked him if the hemp production in Sumatra would not increase to the extent of taking the place of the amount of hemp that we were not producing here, in case, ~~he said~~: "Well, I can say only for the next two years."

SUGAR

THE PRESS. What will be the effect of this restriction in the case of sugar, Mr. President?

THE PRESIDENT. We were just wondering whether we should apply that to sugar but he decided not to discuss it. You know that the limits of the quantity of manufactured cordage that may be exported from the Philippines has been the main factor of Philippine independence. This is not to be published. Some of the fellows who were interested three years ago in protecting the manufactured of cordage felt grateful to the Phi-

lippines because when they saw that we were working so that we might be given the Philippine Independence, they voted for it. And they are the only fellows who got what they wanted because even the sugar people did not get what they wanted. Philippine export was to limit future exportation to the United States to the amount which was exported at the time, but in the case of manufactured cordage, they reduced the amount to one-half of what they were allowed to export.

BILLS PASSED BY THE NATIONAL ASSEMBLY

THE PRESS. Mr. President, we are informed that out of the 150 bills passed by the National Assembly, approximately 2/3 of the emergency measures were recommended by the administration. Would you please enlighten us on this matter?

THE PRESIDENT. That is a perfectly a fair question, and I am willing to answer that question for publication because that is a very good question. Well, it so happened that these bills were bills recommended by the administration and which the Assembly did not report on time, being bills that, in the opinion of the administration, were urgent and important, I certified to the immediate necessity of their approval and I think it just, for there is a provision inserted in the Constitution that before the Assembly could enact any law it must be printed and copies have to distributed three days before the adjournment of the Assembly. Now, these measures on which the respective departments of government have prepared certain comments, many of these measures are part of our legislative

program as anticipated in the platform submitted to the people, and you know the Assembly as usual does not work very much during the first 30 days, and when they started to work to set the legislative machinery in motion it was too late to pass on these measures. So I had simply to certify to the necessity of making these laws so that this question, in order that it ^{might} ~~may~~ be properly answered, should refer to special measures that I ^{had} ~~have~~ recommended to the Assembly for immediate approval if presented in the way that they should be presented. Thus, you see that out of 150 bills passed about 100 bills had been certified for immediate enactment. Well, you see that is how 2/3 of the measures were recommended by the administration and any reasonable person would not think that when the Constitution provides something as to the ordinary procedure in the Assembly and establish exception to that ordinary rule that in the application of that rule, 2/3 of the bills will be on the exception to the measure. Well, I wish to say that you should not ask that question because if presented in that way, it seems that I have violated the Constitution, It is not the number of bills that the Assembly has passed that will determine the immediate enactment, but it is the nature, the character of the bills that have been recommended by the administration so much so that if the Assembly had not been able to pass those bills, I would have called for a special session and certified for the immediate necessity for their enactment. I still called the Assembly into special session because no

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act on had been taken on the very important measures, such as the pension system, the census and the gasoline tax. And I want to tell you further in connection with this that I hope the press of this country will give its support to an idea which I have in mind which I think you will find perfectly reasonable. There is the belief in the Philippines--and I am afraid that belief exists also in the United States--that a member of the Assembly shows his worth by the number of bills which he succeeds in getting enacted into law. And so every member of the Legislature presents measures from 10 to 100 every year and he hopes to have at least five of those bills passed by that body. I should like the press to tell the people and the members of the National Assembly that it is not the number of the bills, not the amount of bills approved by the legislative body that measure^s the wisdom of that body, but it is the quality of the bills that they convert into law. Moreover, the constant enactment of known measures and the amendment to all the measures contribute to the instability of the social and political institution of a country and, therefore, unless it is absolutely necessary, bills should not be enacted. What happens here is that the Assembly approves this year one law, another year it passes a law amending certain parts of that law which they approved ~~the~~^{the} year before; and then another law should be amended like this and that, so we spend a lot of money to codify the laws affecting the administration of the Islands. We spent a lot of money when we appointed three best Members

of the Judiciary to study and revise our Administrative Code and no sooner had this code been enacted than the Legislature started to amend certain sections so nobody now knows the contents of the Administrative Code. The newspapers are responsible for this. ~~But~~ ^I this is serious, and I should like the people of the Philippines not to expect too much from their Assemblymen. What I am going to say, I hope, will not be misunderstood, especially by these ladies here. I do not want to be immodest when I say that I had been a member of the first Philippine Assembly and the only President of the Philippine Senate since 1916 and I want you to know that there is no single bill that has not my name. Really, it is very serious to change every year a certain provision of a given code or law because it is expensive for the government to print the changes made every year.

An administrative official, in accordance with certain laws, sometimes violates the law not knowing that he is violating it. I said I think we have inherited that from the United States. In Europe, Parliaments are convened to enact the appropriation law. Sometimes they pass other laws but the main work of the Legislature is to appropriate funds necessary to carry the administrative organization and these laws of a substantial character, substantive laws as they are called, they are coded; they are passed once and they are left in the statute laws until the political constitution of the country is so changed that they would have to be amended.

Now, of course, the days in which we live are days of social service, especially in the government of a country like the Philippines, where we have just started. This is the reason I have recommended so many bills to the Legislature, and I hope, that in due time we shall have the necessary legislation written and we shall have passed them on to our statute books. Nobody can remember the name of some towns that are changed every year and their reason for making it is that the change is for some heroic purpose. Gentlemen, there are many streets in Manila now that have been changed which I can not remember because what I remember are the old names. ~~Do you~~ ^{you} have any more questions to ask?

HIGH SPOTS OF COMMONWEALTH
GOVERNMENT

THE PRESS. Mr. President, now that the first anniversary of the Commonwealth is approaching, would you advance some high points that the government has achieved?

THE PRESIDENT. The Secretary of Agriculture and Commerce has written a report of what has been done in this government and it is marvelous. (Laughter) It is so marvelous that I myself marvel at it.

THE PRESS. But what about telling us your high spots, Mr. President?

THE PRESIDENT. I will answer that on the 15th of November. We will then submit a sheet of its assets and liabilities through the eyes of the Secretary of Agriculture and Commerce.

THE BOMBING SPREE

THE PRESS. Mr. President, what is your comment on this bombing spree?

THE PRESIDENT. Well, you will be surprised that ~~these~~^{the} dropping of bombs did not have very much impression on me. It is strange, but it did not make me uneasy. Why, I had just been from Santa Mesa when the explosion took place. Really, it is very hard to determine what is the cause of that. Of course, it has this effect as far as I am concerned. I changed my mind about granting amnesty to those Sakdalistas that are in prison, not because I really gave importance to the bombs, but because I do not know what really happened and the reason behind the movement, for even in Manila, nobody can say what is the cause of these bombings. All that the people know is that there were bombs and the popular reaction of certain elements in the community is that they are fighting the government, and if I decree the amnesty they might have thought that the government had given it up. I was going to grant amnesty after the establishment of the Commonwealth and now, I am not going to issue that. I may still grant pardon for individual cases, but I do not want to grant amnesty There are people who use that either to start these lawless elements that they may go on because they will not be kept long enough in jail or say: "Well, you go ahead, anyway the government is not going to enforce the laws here." They are panic stricken, ~~for fear~~^{believing} that what is going on in Spain may

be repeated here. As to the situation in Spain, we have to bear in mind that the people know what is going ^{on} outside the world in spite of the fact that there are those who think that the masses do not know what is going on in Spain. Why, the people in the provinces know what is going on in Spain, even those living in the smallest barrios. They take note of the fact that the government authorizes some of those workmen to take over some factories and have been asking questions what the government has done in allowing the owners to get back the tobacco factories and take possession of them. So I had decided that the best thing was not to grant this Amnesty.

(Turning to a lady seated to his right, the President asked: "Well, ~~do~~ you have any complaint after your hazardous trip?" The lady answered that she found her trip wonderful.)

I asked a girl not long ago, who is working on a newspaper here, why she never came to ask me for an interview and her answer was: "Why should I allow myself to be handled by men, especially by reporter"? And my answer to that is: "I do not know that the newspaper reporters handled you."

(Laughter.) I thought you were going to say that (referring to a lady reporter present). Well, is there anything further you want to ask? Thank you, gentlemen.

Confidential file

PRESS CONFERENCE NOTES

DECEMBER 18, 1936

4:30 P.M.

CHINA

THE PRESS. Tell us about China.

THE PRESIDENT. I know Chiang Kai-shek very well. I was in Canton when the news of his capture was reported. It was after the banquet that the government of Kwantung gave in my honor. They received the news and they were very much upset.

THE PRESS. Did you meet T. V. Soong?

THE PRESIDENT. I saw him in Hongkong. We had luncheon together at the house of General Wang and I had one of the best Chinese dishes that I had ever had in my life. It was home-cooked Chinese food. I was very much pleased with what I saw there in Canton. It will be a very unfortunate thing for China if Chiang Kai-sek is not set free, because the movement for the unification of China undoubtedly was going on rapidly and strongly. The province of Kwantung, as you know, has been paying but lip service to the ²~~N~~₁anking government in the past, and they were very jealous of their independence there and distrustful of any outside authority. Now, I found, when I got to Canton, that the sentiment for a united government in China was very strong, and the higher authorities in Canton - both military and civil - were very proud of their loyalty to the national government.

The progress that the city of Canton has made is marvelous. I remember I was there on my first visit, way back in 1919 when Dr. Sun Yat Sen was still living, and I was his guest there. At that time there were hardly more than one or two wide streets - they were mostly old, narrow streets. This time, however, I did not see any narrow streets there. Their streets are as wide as our Taft Avenue and our Rizal Avenue. They received me with all honors. They had a battalion at the railroad station and they played the national anthem and they also had the Philippine flag all over the streets. I was wondering where they got so many flags in such a short time, and they had not only the police but the gendarmes and the soldiers lined up at every fifty meters on every street where I was passing. There was a soldier with a rifle, and I was escorted by more than one-half of a company of soldiers carrying machine guns in their hands. By God! And then when I went out to see the University - the University campus there is out of the city - at every fifty meters there were two soldiers with rifles on the right side of the road, facing the country. When I asked the gentleman who was accompanying me what that was for, he said: "That is for your protection." But what is really important is this. The reason I was very much impressed is that they are real soldiers. They are no longer soldiers of fortune or men paid by a war lord, recognizing no other authority but that of their war master. They were soldiers

of the government. When I reviewed those soldiers and walked in front of them, they had a real military bearing and they looked straight at me, not one of them ever shifting eyes. When I review our soldiers here, the officer, while the soldiers are doing military honors, faces me. He is supposed to look at me. When I look at the officer, however, he begins looking somewhere else. But those Chinese - my goodness, every soldier looked at you straight in the eyes.

Then they asked me to visit the Military Academy. It is a wonderful institution. They had 800 cadets there at the least. I addressed them, and those people were like statues. Not a move while I was talking, they looked at me straight, made no motion of any sort. When they were ordered at ease, every time I mentioned the name Chiang Kai-^hsek they automatically stood at attention. Those people are really determined. The moral progress of these men, to me, is nothing short of marvelous.

THE PRESS. As to whether the method in the reconstruction of Canton can be adopted in the Philippines.

THE PRESIDENT. We ought to demolish every dammed house that is in the way of our widening our streets. The first thing we need to do is to widen the Escolta. } Here is what the Cantonese did. They first planned the city and then destroyed everything that was in the way of its realization, but paid for the buildings so razed. one of the engineers who had
~~something to do with this was an American (NOT FOR PUBLICATION).~~

not for publication

~~so the Chinese told me in a rather complaining voice; but
regardless of that they have done well.~~

THE PRESS. Crisis with Japan. General attitude of
Ganton.

THE PRESIDENT. I do not like to have this printed...
But those fellows want to fight Japan. They want to fight
Japan. You know what impressed me. They do not talk in a
boastful way. They speak with perfect self-control and they
measure their words. But I gather this from what they tell
me: That if Japan forces China into a situation, China is
going to fight this time and they are prepared, they think,
for war. I also gathered from them that they have not given
up Manchuria; that it is only a question of time; when they
feel strong enough they will fight to regain Manchuria. YOU
ARE NOT GOING TO PUBLISH THIS, at least, as coming from me
anyway. I think the Chinese have a grim determination about
Manchuria. I believe they will be willing to let Manchuria
be independent for itself under the influence of China rather
than under the influence of Japan, and that is what Manchu-
ria wants. But I do not think they are going to let Japan
keep Manchuria forever.

Now then, here is my reaction to that. I am still
speaking confidentially and not for publication. My reaction
to that is this: Whether China will fight for Japan in
Manchuria or not will depend on the progress that China may
make in arming herself and the extent to which she can arm

herself. That, in my opinion, will take some time, before China can make a war of conquest. But Japan will not want to give up Manchuria for nothing. I think Japan will put up a fight to keep Manchuria. I think China had been really ready to fight when Japan took Manchuria, then Japan would not have insisted on taking Manchuria. She would have been satisfied with having her rights or what she claimed to be her rights, especially her economic ones, etc. She is now going to try to keep Manchuria and it is going to cost a lot of life and money before China can recover it if she ever does. But the effect is going to be: that Japan will feel uneasy about her situation in Manchuria, and she will not be considering extending her territory some more; so that I feel very safe, much safer now, than I did before I saw Canton. Canton is very far from Manchuria. The situation of Manchuria does not affect Canton at all. If there is no sense of oneness amongst the Chinese in Canton, that very deep feeling about Manchuria and the Manchurian question is the best thing that has happened to China. It is what is making China what it is today. That is really a blessing in disguise.

THE PRESS. How Russia would stand in case of China's growing strong?

THE PRESIDENT. My answer to that would be merely a guess. I could not say for sure.

Japan's special policy. We read that in Tanaka's documents, and I think that is true. But if China is not

weakened, if she goes on as she is going now, there will be no trouble, and Japan will be much more than satisfied to hold Manchuria; and she will find that she has eaten more than she can digest.

THE PRESS. How about a Philippine Commonwealth alliance with China?

THE PRESIDENT. We are going to adopt the policy of Washington: No alliance.

NEUTRALIZATION

THE PRESS. The Tydings-MacDuffie Act seems to be incompatible with itself, namely, the provisions for neutralization, or attempt to secure the neutralization of the Philippines - and the negotiation looking towards the establishment of an American naval base here - will these provisions be proper from the standpoint of Philippine interests?

THE PRESIDENT. The neutralization treaty, at least for the time being, has lost all attraction for me. To me it is meaningless, and unless during the next three, four or five years the attitude of the great powers toward international agreements and accords change, I do not believe that any treaty of neutrality for the Philippines will mean much. However, I would not object to the neutralization of the Philippines, provided that the treaty meant simply this: That the Philippines will be considered a neutral territory and will not involve any guaranty of that neutrality on the part

of the other nations. In other words, if the treaty will merely set that the signatories of it declare and will consider and respect the Philippines as a neutral territory, there will be no objection to that, for that is good. I do not want any guaranty among themselves because that will give them an excuse to interfere. Now a treaty of that sort would not be incompatible, I think, with any treaty that the Philippines may have with the United States whereby the United States may retain some naval stations in the Islands. Of course, the part whereby the naval station is established would be outside that treaty. That would be the result of it, I suppose. Whether any nation would want to recognize the neutrality of the Philippines or to consider the Philippines a neutral territory, if there were an American naval station here, I do not know. Now, whether it will be to the interest of the Philippines to have this naval station or not, that again will depend upon the attitude which the United States may take with reference to this naval station. If that were made a part, or even if not, if it were consistent with the special trade relations between the United States and the Philippines - which would indicate a close association, even if only economic, between this country and the United States - it would seem to me that such a basis of relationship with the United States, with her naval station here, would be justified and in the interest of the Philippines, as well as in the interest of the United States, because that would mean the ability of

America to protect her trade routes. But if the United States had no further connection with the Philippines, even of an economic nature, I do not see really any justification for such a naval station in the Islands, even from the standpoint of America. I am not in a position to speak, at this time, of the attitude we would take in reference to an American naval station here. That is a matter that will have to be considered when the question is really up for serious consideration.

POLITICAL INDEPENDENCE

THE PRESS. Regarding the political provisions of the Tydings-MacDuffie Act, has absolute political independence been decided upon, without any possible chance of reconsideration?

THE PRESIDENT. I think that the mental attitude of our people is fixed. I think that they will want to have complete independence. It always happens so, on matters of this ^{kind} sub-ject. It happens to everything of the same nature. When you give individuals, whose freedom of action has been limited, greater freedom to move, the more freedom you give them the more freedom they want to have. Well, after we started this government of the Commonwealth as we found out that we are able to run its affairs well, we now feel that we want to run it more independently of other people. There is a duplication of efforts the way things are run now; it uses more time than is necessary. For instance, under the Act certain things must be approved by Washington. We approve an act

here and then we have to wait pending approval from Washington. This is not a question of sentiment, this is a question of practical government. The question of tariff, for instance, the right to enact a tariff ^{an} is ^{an} essential power for any government that desires to be self-sufficient - but we have no such power at all. On the question of tariff, on the right to initiate tariff legislation, the power of the President of the United States to disapprove our tariff laws in the Philippines is absolute. Again, in the disposal of our financial and economic resources - this again in a way is subject to the supervision and control of the President of the United States. In other words, in everything affecting the economy of the Islands, we are tied up; and that is a fact. Even if we know that there is entire good faith, equally on the part of the Philippines and on the part of Washington, regarding measures we are enacting affecting the economics of the Islands, there may be differences of opinion, differences of views; and when there is that difference of views it is not our view that will prevail, the law having given the President of the United States the power and responsibility to make the final decision; he can not conscientiously make any other decision but one consonant with his views and his opinion, therefore, the right one. Well, we ~~will~~ ^{shall} always think that our decision is right, because we ~~will~~ ^{shall} always feel that we know better the conditions prevailing here, and naturally if and when these decisions occur in the future, there will be little satisfaction. We have been

fortunate in having, as the financial adviser for the Office of the High Commissioner and now as the Acting High Commissioner, a man who is very broad-minded and who is very sensible and who looks at every question ^{from a practical point of view} ~~realistically~~ Mr. Jones. Well, Mr. Jones has been a great help. He has been no hindrance whatever to our plans; on the contrary, he has been of great help because his advice is sound. He does not advance his views; he does not interfere; but when, at any time, the Government of the Commonwealth desires to have his views on any question, he is ready to give his advice, and does it in a very impartial, objective way. He gives you the facts, submits to your consideration the implications of every act that you may take, and then he lets you (to) decide for yourself. He has really been very good, and to Commissioner Murphy he was also helpful in what we were doing in the Philippines. So far, he has been very helpful. But there is the possibility of disagreement.

THE TRADE CONFERENCE

THE PRESS. How about the trade conference in the United States?

THE PRESIDENT. I doubt its efficacy because the problem is something that it can not remedy. I think that the minute that America is willing to give up the authorities that have been retained by the President by Act of Congress, the minute they give up, the Philippines is absolutely independent; and so for the protection of the United States, as long as the

American flag is here, they must have those powers. They can not have any less, I am reasonable enough to admit that. They can have no less powers than what have been retained by Congress in the United States President. As long as the American flag is flying in the Philippines they are going to be responsible for the Government of the Philippine ^s ~~Islands~~, even for international relations. Otherwise, they will be holding the bag. However, in Canada, Australia or in New Zealand, in those governments Great Britain retains none of the powers that are retained by the United States. The British flag is there but these governments can do what they want to do in the matter of tariff or currency, or in anything, and the Government of Great Britain has nothing to say. But that has been a development of many, many years. These Commonwealths have been gradually exercising these powers and no one has been withholding these from them. And there have been no cases wherein these governments have done anything to involve Great Britain in ^a ~~into~~ conflict with any other nation; so that, at least, they feel that Great Britain has to supervise them. ¹ ~~In the Philippines we~~ ^{We as a people} are not only ~~of a~~ different ~~people~~ from the American people, unlike the people of Canada and Australia and England, but we have ^{as} ~~this~~ Commonwealth ~~just~~ newly established, and I think that America has no ground ^{for} ~~of~~ complaint: we have certainly given her no ground to complain about ~~about~~ our loyalty and

character, nor have we involved her in any difficulties with any other nation. I do not think Congress would consider this.

THE PRESS.

DOMINION STATUS

THE PRESS. At the end of this 10-year period a dominion status for the Philippines might be mutually expected.

THE PRESIDENT. It is very hard to say. I do not think the American people will consider any proposal of that kind. I do not believe they will permit a situation whereby America will be responsible for the foreign relations of the Philippines and exercise no authority whatever over the government of the Islands. If she does not, the Filipino people will insist that they have their independence, so that they may enjoy all those rights necessary for the decision of questions affecting ^{their} her national life.

Relief Measures

THE PRESS. What relief measures have been done for the flooded region?

THE PRESIDENT. I am going there. We are in perfect control now of the situation; that is to say, we have all the personnel that is necessary and we are going as fast as we can in repairing damages that have been done and in affording help to the sufferers from the flood. I myself am going there as soon as I have decided on the pressing questions before the government, and as soon as the road is in better condition. We can not do more than what we are doing now.

Special Session

THE PRESS. As to the calling of a special session of the National Assembly.

THE PRESIDENT. I am not going to call any special session. This is what I said - you reporters misinterpreted my statement: ~~//~~ The Members of the National Assembly will be here next February. I take that for granted because there is going to be held here a Eucharistic Congress. They come here during the carnival every year so that I take it for granted they ^{will} ~~are~~ again ~~going to~~ be here. I am not going to call a special session. I have had enough for one year. My blood pressure has gone up. The National Assembly has passed enough laws for the next ten years. It will take time to carry them out.

PURCHASE OF HACIENDAS

THE PRESS. Any truth, Mr. President, in the rumor that the government is considering the purchase of large haciendas for distribution?

THE PRESIDENT. The ability of the Secretary of Agriculture and Commerce to speak is incomparable. We have not got the money appropriated for that. We are going to expropriate that portion of the landed estates which is occupied by tenants for their homes. We are going to take those up immediately, expropriate them; that is all the money the government can dispose of at present, because that is all that has been appropriated. I would advocate expropriation of all those landed estates if we had the money to do it. But we have not the money to do it.

THE PRESS. How much money?

THE PRESIDENT. I guess it would reach the amount of

ten million pesos anyway.

THE PRESS. More than that!

THE PRESS. How about the Hacienda Esperanza?

THE PRESIDENT. You include those that are owned privately? I thought you were only speaking of the Estates of the Church. My goodness, I would need about 50 million pesos for that. We would wreck the whole government. // You can not do it. Well, I tell you it is worth considering very seriously whether a great part of that tax should not be used for that. As a matter of fact, I have been ^{thinking} ~~resolving it~~ ~~to use~~ to use a part of that money.

THE PRESS. Mr. Sotto, in behalf of the Socialist Party, sent a petition to Washington asking for the payment of those funds (coconut oil tax) so as to buy the big haciendas.

THE PRESIDENT. Is he (Sotto) afraid that I shall use the Army to shoot him and the rest of his gang?

I tell you I would recommend it to the Assembly. The ^{would not hesitate} ~~matter~~ requires a little further study, but I ~~have no objection~~ ^{to say} ~~to say~~ this: My idea was to recommend to the Assembly that a part of this money be earmarked to pay our bonded indebtedness - the purpose being that, if Congress knows that we have set aside many millions more than is necessary for us to have, to insure the payment of our bonded obligation, then it will be wiser for us to get Congress to do away with the export tax. to see the export tax. One of the reasons given in Congress for the export tax is that we may thereby have money with which

to pay our bonded indebtedness. It is not in the law; that ~~in~~^{is} only in the speeches. We have never deviated from that. Every year we have set aside the necessary amount for our bonded obligations. If we earmark, say 30 million pesos, to be kept in the Treasury for this bond, we shall be preparing the ground for the amendment of that part of the Independence Law which requires the payment of the taxes.

THE PRESS. The United States is so scrupulous about this. The United States is responsible for the financial stability of this government.

THE PRESIDENT. That is one thing. The other is to appropriate this money for the purchase of such landed estates as are occupied by tenants, with the purpose of reselling these to them. Those are two purposes that should be, in my opinion, good purposes, because you see there are no large landed estates in the coconut-growing provinces; not one. In the coconut-growing country the land is parceled amongst the small land owners. It is only in the rice-growing region^s and in the sugar region that there are large landed estates. In all other places there are no haciendas except in Davao.

GOVERNMENT BONDS

THE PRESS. Is it entirely equitable for this government to use a tax on one product to redeem the bonds of the government?

THE PRESIDENT. The Congress of the United States has

our hands tied there because the provisions of the law directly or indirectly affect it.

THE PRESS. Simplify the sales tax at the present time - the tax from the coconut oil.

THE PRESIDENT. I should like to do that very much. But if we did that ^{would be} ~~that is~~ one indirect way. We passed a law here, I do not remember now which.

In the last session we passed a law, I do not remember it this minute. It had nothing to do with this copra region.

THE PRESS. Copra Centrals?

THE PRESIDENT. They can not consider it that way because it would be a repetition on the sugar centrals. I would never dare to do anything like that without the previous knowledge and approval of the government of the United States. Yes, I would present the case very plainly to them. Otherwise, you would be taking the risk of losing this money, which is very big money for beggars like us here.

FUND FOR INDEBTEDNESS

THE PRESS. How about the valuation fund for indebtedness?

THE PRESIDENT. When I was in Washington, and we were negotiating this with the government of the United States, with the Treasury Department there, I was not willing to yield one cent, not a cent. I wanted every cent returned to the Philippines and I got the President to approve it. I

discovered one day that they got Singson, who was then the Secretary of Finance, to agree on ten million pesos. Singson said: 'Mr. President, we better take what we can get now.' And Congress approved the law. But then you also know what Congress did when it came to the matter of appropriation. What I mean to say is this: I will take one-half of that now and call it square. But really, from the standpoint of moral obligation, the United States has a very plain, moral one there, and the President has recognized it and will pay to the Philippine Government. But I want you, gentlemen, to know this: I am not going to lose that money. I may not get that in money, but I will get it somehow. When they see the whole situation here much more impartially and with equanimity, I have no doubt that we shall get something. We shall get the amount, if not in money actually appropriated, then in something that they will give to the Islands. You must remember this, that after the Philippines becomes independent, there will be some accounts that have to be settled, and it is a good thing that we have this money in the treasury of the United States and we can have them charge these accounts to that. We will get that.

ARMY BARRACKS

THE PRESS. As to the Trade School being used for Army barracks.

THE PRESIDENT. It has long been referred to me that the Provincial government has permitted that because the school really does not need all the space. We are not taking any-

thing from the school. What is actually being used by the school will not be taken.

THE PRESS. It was a military camp.

THE PRESIDENT. It does not belong to the school at all. It is not true. The United States Army can transfer to the Bureau of Education. That has been transferred to the Government of the Philippines and temporarily it has been lent there and those buildings are provincial buildings. They are not buildings of the National Government, but we are not taking any building that is being used by the students. That is not true. I am sure of that.

THE PRESS. What is your attitude, Mr. President, on the question of Japanese sub-leasing in *Davao* Davao?

THE PRESIDENT. The law does not permit it.

THE PRESS. Any move to cancel these leases that have been granted?

THE PRESIDENT. There seems to be no evidence of any sublease. There is evidence that these Japanese that are working there are working for the account of the Filipinos who have leased the land.

The Army
I want to say something more on this Army business, because this is one important single thing that the government is doing. We have a crowd of people here that are being influenced by these pacifist philosophers and if the Islands become the field, a productive field for these pacifists, then we might as well say good-bye to all our dreams and ambitions. This is nonsensical talk that is

going on about militarizing the Philippines. The maximum strength of our regular Army is not even going to be two divisions, which is less than 2,000 men. We ^{shall} ~~will~~ have the smallest army in the world even among the smallest nations. Even Siam has nearly 100,000 men. For maximum, we will have between 7,000 and 10,000 men. Now, we do not even have 7,000 men. That is our regular army and in that number is already included the Constabulary, which is doing police work.

THE PRESS. Really, is this militarization of the Philippines?

THE PRESIDENT. We ought to train every man and woman. Every citizen in every civilized community where there is the spirit of duty ought to be trained to defend the country. That is the paramount duty of every citizen, for we can not defend our country with out tongue. But Sotto talks much about independence, making foolish speeches, and actually does nothing. That is what such fellows do when confronted by an enemy. It would be murder to attempt to defend oneself unless one has been prepared by the government. This talk of militarizing the Philippines is getting on my nerves. And after I have seen China, more than ever am I determined to carry out that policy. China would never have been a disorganized nation if there had been military training there. We need that even in peace. Even if we have no war, it is better that our citizens have (a) national discipline.

I do not want people, ¹ *specially people of* other countries, who believe that living consists only in eating plenty and dancing and doing nothing. I do not want to have such people in my own country.

THE PRESS. How about your first plan that the Constabulary should consist of 10,000 men and the standing Army of 19,000?

THE PRESIDENT. We have come to the conclusion that it will not be necessary. There will always be one division composed of those that are receiving the training and those that may be called; but the other, which we may term the regular army, will be 10,000, including the Constabulary.

THE PRESS. How large is this Constabulary?

THE PRESIDENT. Three thousand.

I am already having trouble listening to those fellows. However, the rest will always be ready to support and cooperate with the Constabulary. The 3,000 Constabulary men that we now have, or that we shall have in one year, will be more effective than the 7,000 that we used to have. Because we shall have airplanes, gas, tanks, and armored cars. The 3,000 men thus equipped are worth more than the 7,000 that we used to have, who had only rifles. So 3,000 men will be sufficient.

THE PRESS. About twenty years ago you said the Filipino loved to wear the uniform.

THE PRESIDENT. I still believe that every Filipino loves the uniform. If I could give everybody a uniform and a gun, and if tomorrow I ~~had~~ ^{should happen to have} 50,000 guns here and 50,000 uniforms for everyone, in about half an hour there will not be any gun left. You will see them shooting everyone who opposes.

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